

**PROACTIVE  
ACTIONS**

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**WARDS  
THE FUTURE**

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### Forward looking statements

In this annual report, we have disclosed forward looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements would be fully realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

The most relevant is a Company which has time and again demonstrated a **proactive approach** in responding to **every challenge** that came in its way.

Known for its product quality and **innovativeness, Enkei Wheels (India) Limited** today is one of the **leading aluminium alloy wheels** manufacturers in India with a long term **successful track record** and **long-standing customer relationships**.



A fitting proxy for the globally renowned Enkei Corporation, a global leader in this segment.

At Enkei, our future-readiness represents the foundation of our sustainability.

**This future readiness is demonstrated by...**

**... continuous capacity expansion to address prospective demand**

**... superior innovation and rationalisation of costs to stay ahead of the competition**

**... building strong relationship with our customers to emerge as a preferred supplier**

**... exploring the unexplored**





# KNOWING ENKEI WHEELS INDIA LIMITED

## Who we are

Operating as a B2B company, Enkei Wheels (India) with its rich industry experience of more than six decades, has evolved to emerge as one of India's leading aluminium alloy wheels manufacturer in the two wheeler and four wheeler segment.

Established in 2009, Enkei Wheels (India) Limited is recognised and respected for the quality of its products, innovativeness, efficiency of its operations, technological advancements, customer satisfaction and the resulting goodwill. Today, the Company is one of the leading suppliers of aluminium alloy wheels to some of the renowned players in the Indian automotive industry and has been highly successful in building a multi-year relationship with them.

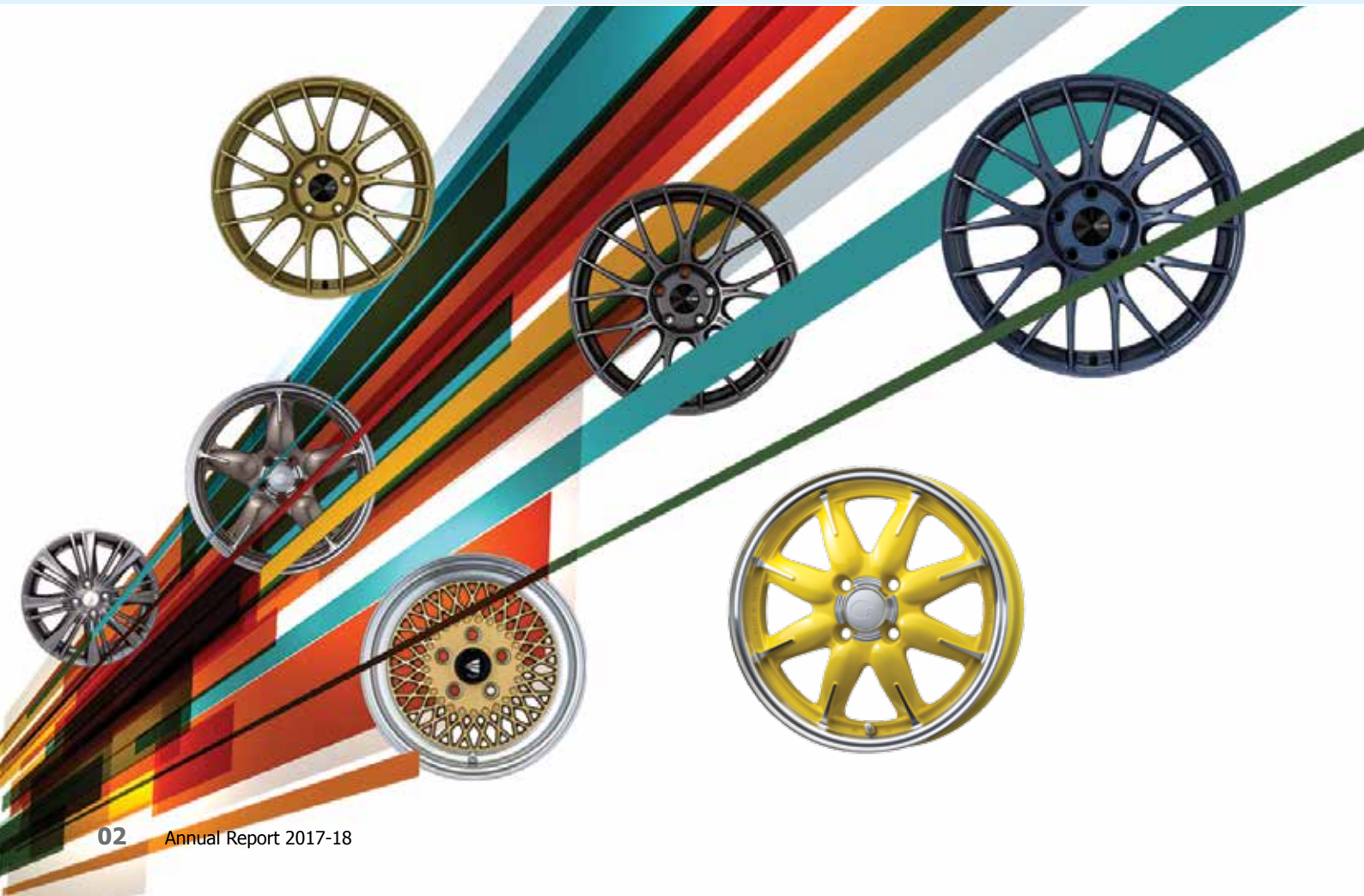
Formed owing to the demerger between Alicon Castalloy Ltd (formerly known as Enkei Castalloy Ltd.), the Company is now a part (overseas subsidiary) of the globally renowned Japanese multinational company, Enkei Corporation.

## Where we are

With its corporate office at Gat No. 1425, Village Shikrapur, Taluka Shirur, Dist. Pune - 412 208, the Company has its state-of-the-art manufacturing facility located at Shirur in Pune (India).

## What we do

With a deep rooted knowledge about the industry, the Company is involved in the business of manufacturing aluminium alloy wheels for two-wheeler and three-wheeler vehicles. Characterised by its quality, the Company's products empower its customers with top-of-the-line Japanese technology products.



### Our capacity

With a production capacity of 1,08,000 pieces/month/line, the technologically advanced manufacturing facilities of the Company are able to produce world class products of top notch quality.

### Our clientele

Enkei, today, is the preferred aluminium alloy wheel supplier for some of the biggest names in the Indian automobile industry like Maruti Suzuki India Ltd, Toyota Kirloskar Motor Pvt. Ltd., Honda Cars (India) Ltd. and Hindustan Motors Ltd. in the - four-wheeler segment whereas the two-wheeler segment includes names like Honda Motorcycle and Scooter India Private Limited and Suzuki Motorcycle among others.







# OUR FINANCIAL PERFORMANCE

We believe in yielding incremental returns for our stakeholders by investing in long-term growth opportunities. Our aim is to build on our core values and principles so that we could sustain growth by focusing on profitable niches and offering innovative products. For Enkei, the equation is simple: operational excellence + cost leadership = customer satisfaction.



# OUR GROWTH STORY IN NUMBERS

(Amt. in Millions ₹)

Particulars	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
Net Sales	3,200.1	3,839.3	3,854.9	4,067.2	4,638.1
Other Income	9.1	1.8	3.6	2.0	64.7
Material Cost	1,739.2	2,140.2	2,057.2	2,221.4	2,575.8
Other Expenses	1,141.4	1,318.9	1,521.9	1,511.0	1,653.2
Interest	86.4	81.2	51.5	30.5	47.5
Depreciation	235.5	281.8	256.5	217.3	233.0
Profit Before Tax	6.6	18.9	(28.6)	89.0	193.3
Income Tax Provision	1.3	(3.9)	26.1	46.9	85.5
Net profit after Tax	5.3	22.8	(54.7)	42.1	107.8
Share Capital	63.8	67.1	70.7	74.4	77.1
Reserves	96.5	116.0	(47.4)	240.0	729.1
Net worth	160.3	183.1	23.3	314.4	806.2
Basic Earnings per share ( ) (Face Value of 5/-)	0.43	1.76	(4.03)	2.95	7.11
Basic Earnings per share ( ) (Face Value of 5/-) (Excluding Extraordinary Income/ Expense)	0.43	1.76	(4.03)	2.95	7.11
Book Value per Share ( )*	12.6	13.6	1.6	21.1	52.3

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



# CHAIRMAN'S MESSAGE



The year closed with a sale of 2.36 million wheels - (including both 2-wheeler and 4-wheeler segment) compared to previous year's 2.27 million wheels, thereby witnessing a growth of 4% which has been achieved owing to the process improvements undertaken during the year.

## *Dear Shareholder,*

It gives me immense pleasure to share with you an update on the overall performance of the Company for FY18. I feel grateful for your continuous support towards Enkei Wheels (India) Limited.

## **Performance**

In FY18 Enkei India made significant improvement towards achieving its goal. Owing to the sustained favourable market scenario we grew our order book significantly during the year. We achieved a capacity utilisation of 100% of the installed capacity during the year - the watchword for the year for Enkei being "produce more and sell more."

The year closed with a sale of 2.36 million wheels - (including both 2-wheeler and 4-wheeler segment) compared to previous year's 2.27 million wheels, thereby witnessing a growth of 4% which has been achieved owing to the process improvements undertaken during the year.

Whilst 4% was increase in sales volume, growth in terms of sales value was 14% which was achieved by enhancing the product mix, thereby enabling maximisation of revenue and delivered profit of AP 4.2 (Profit before tax Achieve Profit 4.2%).

## **Standardisation and optimisation**

For Enkei India the slogan for FY18 was "Standardisation & Optimisation". Accordingly, Enkei India has successfully implemented many Enkei standardisation projects like new testing lab, CNC robotisation and converting MAP process to MAT process among others. These standardisation are expected to improve Enkei India's productivity and help meet the increasing orders from the customers.

Apart from this, Enkei India has also adopted the Group concept "Build strong operation without Labour cost Impact" and followed it up with further group guideline of "10% increased output without labour cost impacts." This meant increasing the overall Enkei Group target by 10% - yet with no corresponding increase in additional labour costs, emphasising the Company's increased focus on automation.

## **Proposed expansion**

In FY18, the Board of Directors in their meeting held on 3rd August, 2017 has approved proposed expansion plan in the land adjacent to existing factory at Shikrapur. The expansion envisages 2 new MAT Lines (passenger cars wheels) & advanced paint shop with a completion target by December, 2019.



Post-expansion Enkei India will be in a position to produce wheels of bigger size, which are currently in high demand from customers. Production capacity will be nearly double for passenger cars wheels and with the advanced paint shop facility at Shikrapur should improve painting quality.

Our customer's market share in the Indian Market is increasing every day. With increase in capacity Enkei India will be able to fulfil customers demand.

### Parent support and policy

A very strong point of Enkei India is the enriching experience of the Parent Company in the realm of research and development of aluminium alloy wheels and continuous support from ASEAN Companies for benchmarking.

By sharing its rich knowledge bank Enkei Corporation helps us to successfully maintain the leader position in the supply of alloy wheels to OEM supplier in the hybrid industry producing 2-wheeler and 4-wheeler aluminium alloy wheels for the Indian market. Moving forward, we remain committed to continue with the same growth strategies.

### Challenges

The year 2017-18 was marked by a number of key structural initiatives in the Tax & Legal fields of India like implementation of GST and application of the new IND-AS among others. Currently, the economy seems to be on the path of recovery, with indicators of industrial production, stock market index, auto sales and exports having shown some uptick. India's economy is projected to grow 7.6% in FY19 from the 6.7% growth registered in FY18.

However, the increasing inflation, steep depreciation in Indian rupee against USD continues to hurt importers, Enkei India being no exception. During the year, due to US sanctions on Russia, LME prices of aluminium increased rapidly. Smooth supply of our raw material i.e. aluminium ingot was the biggest challenge for Enkei India.

With further preparation for the future and more contribution to the society we, Enkei India & Enkei group continue to be recognised for its reputation and a company to be relied on for quality and consistency in performance by following Safety First, Health First & Green First.

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

### Looking forward

Vehicle pollution is a challenge for the automobile industry. Thus, since the year 2017 there is a change in environmental standard (BS3 to BS4, BS=Bharat Stage). This will continue and assist the government in defining the regulations on emissions and fuel efficiency, which can support EV adoption and focus on developing a supportive ecosystem. Considering the same, lighter wheels will be in demand. Further, bigger size alloy wheels trend with reface and multi-coloured wheels will be an attraction for the customers. Enkei India has the experience and capacity to deliver bigger size wheels with upgraded technology, so we are looking forward to new orders in the year to come. Enkei India, with estimated orders and production schedule set profit target over and above last year i.e. profit of AP6 (Achieve Profit before tax 6%).

In order to achieve AP6 and to align with our Enkei Group 2018 Company Policy "Build New Technology using Innovations", Enkei India will focus and upgrade the advanced technology for manufacturing the alloy wheels of passenger cars. The upgradation in production processes, smart factory, automation, robotization, installation of MAT technology and procuring latest equipment for testing laboratory for better quality control are the priority agendas for the year ahead.

Enkei India set a 2018 slogan: "Proactive Actions towards the Future". We will set clear targets in numbers and will continue and focus on improvement in daily income statement and break-even point management for robust control over process and further implement of 10% higher output and 10% reduction in fixed cost.

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

**Kazuhiko Shimamura**

*Managing Director*



# CORPORATE INFORMATION

## Board of Directors

Mr. Kazuhiko Shimamura  
*Managing Director*

Mr. Junichi Suzuki  
*Non-Executive Director*

Dr. Haresh Shah  
*Independent & Non-Executive Director*

Mr. Shailendrajit Rai  
*Non-Executive Director*

Mr. Satyavara Prasad Garimella  
*Independent & Non-Executive Director*

Ms. Shilpa Dixit  
*Independent & Non-Executive Director*

## Chief Financial Officer

Mr. Jitendra Parmar

## Company Secretary

Mr. Omkar Kaulgud

## Bankers

MUFG Bank 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*

## Auditors

Asit Mehta & Associates  
Chartered Accountants, Mumbai

## Registered Office & Works

Enkei Wheels (India) Limited,  
CIN : L34300PN2009PLC133702  
Gat no. 1425, Village Shikrapur,  
Taluka Shirur, Dist. Pune - 412208.

Tel: (02137) 618700 , Fax: (02137) 618720

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

Website : [www.enkei.in](http://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@uniseq.in](mailto:info@uniseq.in)

**Notice is hereby given that the Ninth Annual General Meeting of the Members of Enkei Wheels (India) Limited will be held on Thursday the 2nd Day of August 2018 at 12.30 p.m. at the Registered Office of the Company at Gat No. 1425, Village Shikrapur, Taluka Shirur, Pune-41220 to transact the following business:**

**Ordinary Business:**

Item No. 1 - To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2018 and the Reports of the Board of Directors and Auditors thereon.

Item No.2 - To appoint a director in place of Mr. Junichi Suzuki (DIN: 02628162), who retires by rotation, and being eligible, seeks reappointment.

For & On Behalf of the Board of Directors

**Kazuhiko Shimamura**  
(Managing Director)  
(DIN: 05129816)

Place : Pune  
Date : May 25, 2018



**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 26th July 2018 to 2nd August,2018 (both days inclusive).
- 4) 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.
- 5) Following are the details of director seeking appointment/re-appointment at Annual General Meeting.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Description</b>
1.	Name of Director	Mr. Junichi Suzuki
2.	Father's Name	Mr. Kenji Suzuki
3.	Relationship with other Directors	NIL
4.	Date of Birth	25-01-1948
5.	Date of Appointment	24-03-2010
6.	Qualifications	Engineer
7.	Expertise	Engineering & Management
8.	List of outside directorships Held (Public Limited Co.)	1. Alicon Castalloy Limited
9.	Member of the Committees in other companies in India	Nil
10.	Shareholding in the Company	Nil

- 6) The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on 30th July, 2018 at 9.00 a.m. (IST) and ends on 1st August, 2018 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 26th July, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <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 the 8 digits of the sequence number 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>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

**(xix) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](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: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.

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)

**ROUTE MAP TO THE VENUE OF AGM FOR ENKEI WHEELS (INDIA) LIMITED**



# Directors' Report

To,

The Members,

We are delighted to present the Ninth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2018:

## Financial Highlights:

The Company's financial performance during the year 2017-18, as compared to the previous year 2016-17 is summarized below:

(₹ in million)

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Net Sales	<b>4,647.69</b>	4,067.17
Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)	<b>424.13</b>	338.60
Less: Depreciation	<b>232.98</b>	217.33
Less: Financial Expenses	<b>47.52</b>	47.06
Profit / (Loss) before exceptional and extraordinary items and tax	<b>143.63</b>	74.21
Less: Exceptional and Extraordinary items	<b>(49.66)</b>	-
Profit/(Loss) before Tax	<b>193.29</b>	74.21
Less: Provisions for Taxes	<b>85.49</b>	46.89
Profit/(Loss) after Tax	<b>107.80</b>	27.32

## Review of Operations:

In the financial year, 2017-18 your Company has focused on implementing the Enkei Standardization project for Productivity up. This results into increase in productivity as compared to last financial year & subsequently in sales. Company's orders for 4 Wheeler was blessed with the favorable Indian market situation and thus Company went for maximum orders & production numbers. Overall your Company landed with the sales of total 2.27 million wheels during the year under review. Your Company had posted 6% growth in terms of sales volume as well as sales value in year under review as compared to last year.

## Turnover

During the year under review, the Company has recorded Gross Sales of ₹ 4647.69 in current financial year as

compared to Gross Sales of ₹ 4067.17 million last financial year. There was a increase of 6% in sales of the Company as compared to last year.

## Capital

During the year under review, Company has allotted 5,35,000 Equity Shares on Preferential basis on 13th September, 2017 against share application money of ₹ 23,00,50,000 at ₹ 430 (including the premium of ₹ 425) each received from its Holding Company i.e. Enkei Corporation, Japan after obtaining requisites approvals from all competent authorities.

## Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace:

The Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013 provides for

protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected 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, Eight Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and as per the SEBI (Listing Obligation & Disclosure) Regulations, 2015. Following are the details of the Board Meeting held during the year:

Name of Director	No. of Board Meetings Attended (Total Meetings held: 6)
Mr. Kazuhiko Shimamura	6/6
Mr. Junichi Suzuki	1/6
Mr. Shailendrajit Rai	2/6
Dr. Haresh Shah	6/6
Mr. Satyavara P. Garimella	6/6
Ms. Shilpa Dixit	6/6

#### 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 21st March, 2018 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 2018; 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 2018 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 proposed expansion your Directors have decided to conserve the resources of the company, and hence your Directors have not recommended any dividend for the current financial year.

### **A Statement on Declaration Given by Independent Directors:**

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

### **Company's Policy on Directors' Appointment and Remuneration:**

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

### **Auditors:**

#### **A. Statutory Auditor**

The Members of your Company at fifth Annual General Meeting of your Company held on 25th September 2014 appointed M/s. Asit Mehta & Associates, Chartered Accountants, Mumbai (Firm Registration No. 100733W) as the Statutory Auditors of your Company to hold such office till the conclusion of the Annual General Meeting in the calendar year 2019. As per company amendment act 2017 ratification of the statutory auditor is not required.

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

### **Explanation on Comments on Statutory Auditors' and Secretarial Auditors' Reports:**

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Asit Mehta & Associates Statutory Auditors, in their Audit Report and by Mr. Shailesh Indapurkar, Practising 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:**

All contract/arrangement/transactions entered by the Company during the Financial Year 2017-18 with the related parties were in the ordinary course of business and on arm's length basis. Hence, no particulars are being provided in Form AOC-2.

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

Further, we draw your attention to Note no 33(N) of the Financial Statements of the Company.

### **State of Company's Affairs:**

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

### **Amounts Proposed to be Carried to Reserves:**

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

### **Material Changes and Commitments between the date of the Balance Sheet and the date of Report:**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report.

### **Employees' Remuneration:**

In terms of the provisions of Section 197(12) of the 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- III' to this Report.



## Conservation of Energy, Technology Absorption, Research and Development Foreign Exchange Earnings and Outgo:

### Conservation of Energy:

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

We are following Group Policy "Save 20 Return 10" towards energy saving. Company's aim is to reduce Energy Cost by 20%. During the year under review Company has undertake & 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. Company also implements various Kaizan to conserve energy.

### Research and Development:

During the year under review your company has started the new Testing Lab in the Company premises. This Testing Lab will enable Company to test the wheels produced by MAT Process (Most Advance Technology). Enkei India is continuously making efforts to match its standard with Enkei Global. The Company has incurred total ₹ 35.93 Million towards Research & Development during the year.

### Foreign Exchange Earnings and Outgo:

Total foreign exchange earned : ₹ 3.04 Million

Total foreign exchange used : ₹ 2,380 Million

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

### Corporate Social Responsibility (CSR)

For the year under review the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Further, the Board of Directors has decided to voluntarily formed the CSR Committee & approve CSR Policy.

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

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

### Board Evaluation:

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

## Details of Directors or Key Managerial Personnel who were Appointed or have Resigned During the Year:

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

### Directors and Kmp's Resigned During the Year:

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

### Directors Proposed to be Re-Appointed at the Ensuing Annual General Meeting:

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

### Details of Deposits which are not in Compliance with the Requirements of Chapter V of the Companies Act, 2013:

None.

### Change In The Nature Of Business, If Any:

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

### Subsidiary Companies, Joint Venture or Associate Companies:

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

### Details of Significant and Material Orders Passed by the Regulators or Courts or Tribunals Impacting the Going Concern Status and Company's Operations in Future:

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

### Details in Respect of Adequacy of Internal Financial Controls with Reference to the Financial Statements:

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

Audit Committee along with Management overseas results of the internal audit and reviews implementation on a regular basis.

**Composition of Audit Committee:**

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

**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 2018 is attached to the Balance Sheet.

**Corporate Governance:**

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

**Acknowledgement:**

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

For & On Behalf of the Board of Directors

**Kazuhiko Shimamura**

Managing Director  
(DIN: 05129816)

**Haresh Shah**

Director  
(DIN: 00228471)

Place: Pune

Date: 25th May 2018

# Annexure to Directors' Report

## Form No. MGT - 9

(as at Financial Year ended 31st March 2018)

### 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 April 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 / Subsidiary / Associate	% of shares held	Applicable Section
1.	Enkei Corporation ACT Tower 26F 111-2 Itaya-machi, Naka-ku Hamamatsu City, Shizuoka Pref 430-7726, Japan	N.A.	Holding	70.80	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. Promoter</b>									
<b>1) 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 / FII	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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2) 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	10376695	0	10376695	69.75	10911695	0	10911695	70.80	1.05
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>	<b>10376695</b>	<b>0</b>	<b>10376695</b>	<b>69.75</b>	<b>10911695</b>	<b>0</b>	<b>10911695</b>	<b>70.80</b>	<b>1.05</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
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) Foreign Portfolio Investors	0	0	0	0	2000	0	2000	0.01	0.01
g) FIIs	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>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2000</b>	<b>0</b>	<b>2000</b>	<b>0.01</b>	<b>0.01</b>
<b>2. Non Institutions</b>									
a) Bodies Corp.									
(i) Indian	1357456	1210	1358666	9.13	1396736	1210	1397946	8.28	(0.85)
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11820859	132262	11953121	13.13	1766585	122042	1888627	12.25	(0.88)



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	
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	790577	0.00	790577	5.31	802474	0	802474	5.20	(0.11)
c) Others (Specify)									
i. Clearing Members	23087	0	23087	0.16	16602	0	16602	0.11	(0.05)
ii. NRI/OCB'S	96515	0	96515	0.65	114617	0	114617	0.74	0.09
iii. Directors & Relatives	277734	0	277734	1.87	277734	0	277734	1.87	(0.07)
<b>Sub-total(B)(2)</b>	<b>4366528</b>	<b>133472</b>	<b>4500000</b>	<b>30.25</b>	<b>4374748</b>	<b>123252</b>	<b>4498000</b>	<b>29.20</b>	<b>(1.05)</b>
<b>Total Public Shareholding (B) = (B)(1)+ (B)(2)</b>	<b>4366528</b>	<b>133472</b>	<b>4500000</b>	<b>30.25</b>	<b>4376748</b>	<b>123252</b>	<b>4500000</b>	<b>29.20</b>	<b>(1.05)</b>
C. Shares held by Custodian for GDRs&ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>14743223</b>	<b>133472</b>	<b>14876695</b>	<b>100</b>	<b>15288443</b>	<b>123252</b>	<b>15411695</b>	<b>100</b>	

**(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	10376695	69.75	0.00	10911695	70.80	0.00	1.05
	<b>Total</b>	<b>10376695</b>	<b>69.75</b>	<b>0.00</b>	<b>10911695</b>	<b>70.80</b>	<b>0.00</b>	<b>1.05</b>

**(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	No. of Shares	% of total Shares of the company
	At the beginning of the year	10376695	69.75		
	<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>				
	<b>Date</b>	<b>Name of Promoter</b>	<b>Reason</b>		
1.	13th Sept. 2017	Enkei Corporation	Preferential Allotment	5,35,000	4.90
	<b>At the End of the Year</b>			<b>5,35,000</b>	<b>4.90</b>
				<b>10911695</b>	<b>70.80</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		Reason for Change	Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
1	Nastic Trading LLP	At the beginning of the year	570000	3.51			
		At the end of the year	570000	3.51			
2	Pamela Trading LLP	At the beginning of the year	286000	1.76			
		At the end of the year	286000	1.76			
3	Skyblue Trading And Investment P Ltd	At the beginning of the year	254880	1.57			
		At the end of the year	254880	1.57			
4	Ankit Ranswroop Goyal	At the beginning of the year	110329	0.68			
		28th April 2017	(26000)	0.16	Transfer	84329	0.52
		5th May, 2017	(4100)	0.03	Transfer	80229	0.49
		19th May 2017	(95)	0	Transfer	80134	0.49
		2nd June 2017	(75)	0	Transfer	80059	0.49
		1st Sept. 2017	25	0	Transfer	80084	0.49
		8th Sept 2017	(25)	0	Transfer	80059	0.49
		6th Oct. 2017	14	0	Transfer	80073	0.49
		13th Oct. 2017	(10000)	0.06	Transfer	70073	0.43
		27th Oct. 2017	41	0	Transfer	70114	0.43
		31st Oct. 2017	(2411)	0.01	Transfer	67703	0.42
		3rd Nov. 2017	2356	0.01	Transfer	70059	0.43
		30th March, 2018	72	0	Transfer	70131	0.43
		At the end of Year	70131	0.43			
5	Omkar Singh Karla	At the beginning of the year	103070	0.64			
		28th July 2017	100	0	Transfer	103170	0.64
		4th Aug. 2017	100	0	Transfer	103270	0.64
		25th Aug. 2017	(1000)	0.01	Transfer	102270	0.63
		8th Sept. 2017	(1505)	0.01	Transfer	100765	0.62
		6th Oct. 2017	200	0	Transfer	100965	0.62
		8th Dec. 2017	100	0	Transfer	101065	0.62
		15th Dec. 2017	100	0	Transfer	101165	0.62
At the end of Year	101165	0.62					
6	Shailaja Devi Agrwal	At the beginning of the year	102611	0.63			

Sr. No	For each of the Top 10 Shareholders	Particulars	Shareholding		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
		28th April 2017	(21715)	0.13	Transfer	80896	0.5
		5th May 2017	(7000)	0.04	Transfer	73896	0.46
		At the end of the year	73896	0.46			
7	Chandraprakash Padiyar	At the beginning of the year	102268	0.63			
		25th Aug. 2017	5732	0.04	Transfer	108000	0.67
		23rd Feb. 2018	3000	0.02	Transfer	111000	0.68
		At the end of the year	111000	0.68			
8	Ramswaroop Agrawal	At the beginning of the year	100166	0.62			
		20th Oct. 2017	10000	0.06	Transfer	110166	0.62
		At the end of the year	110166	0.68			
9	Savita Raghavan	At the beginning of the year	58365	0.39			
		At the end of the year	58365	0.39			
10	S Kusuma Bai	At the beginning of the year	52540	0.32			
		17th Nov. 2017	998	0.01	Transfer	53538	0.33
		1st Dec. 2017	1000	0.01	Transfer	54538	0.34
		At the end of the year	54538	0.34			
11	Anant Goyal	At the beginning of the year	9854	0.06			
		28th April 2017	44715	0.28	Transfer	54569	0.34
		5th May 2017	14900	0.09	Transfer	69469	0.43
		19th May 2017	(90)	0	Transfer	69379	0.43
		2nd June 2017	(214)	0	Transfer	69165	0.43
		4th Aug. 2017	120	0	Transfer	69285	0.43
		8th Sept. 2017	(70)	0	Transfer	69215	0.43
		6th Oct. 2017	25	0	Transfer	69240	0.43
		27th Oct. 2017	50	0	Transfer	69290	0.43
		31st Oct. 2017	(9575)	0.06	Transfer	59715	0.37
		3rd Nov. 2017	9525	0.06	Transfer	69240	0.43
		At the end of the year	69240	0.43			

**(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. Kazuhiko Shimamura	Nil	Nil	Nil	Nil	Nil	Nil
2.	Mr. Junichi Suzuki	Nil	Nil	Nil	Nil	Nil	Nil
3.	Mr. Shailendrajit Rai	262,674	1.76	Nil	Nil	262,674	1.70
4.	Dr. Hareesh Shah	Nil	Nil	Nil	Nil	Nil	Nil
5.	Mr. Satyavara Prasad Garimella	Nil	Nil	Nil	Nil	Nil	Nil
6.	Ms. Shilpa Dixit	Nil	Nil	Nil	Nil	Nil	Nil
7.	Mr. Jitendra Parmar	Nil	Nil	Nil	Nil	Nil	Nil
8.	Mr. Omkar Kaulgud	Nil	Nil	Nil	Nil	Nil	Nil

**V. Indebtedness of the Company including Interest Outstanding / Accrued but not due for payment:**

(₹ in millions)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
a. Principal Amount	-	69,43,76,000	-	<b>69,43,76,000</b>
b. Interest due but not paid	-	1,58,219	-	<b>1,58,219</b>
c. Interest accrued but not due	-	-	-	-
<b>Total (a+b+c)</b>	<b>-</b>	<b>69,45,34,219</b>	<b>-</b>	<b>69,45,34,219</b>
<b>Change in indebtedness during the financial year</b>				
• Addition	4,00,00,000	2,74,52,08,869	-	<b>2,78,52,08,869</b>
• Reduction	4,00,00,000	2,69,72,60,869	-	<b>2,73,72,60,869</b>
<b>Net Change</b>	<b>-</b>	<b>4,79,48,000</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
d. Principal Amount	-	74,23,24,000	-	<b>74,23,24,000</b>
e. Interest due but not paid	-	-	-	-
f. Interest accrued but not due	-	-	-	-
<b>Total (a+b+c)</b>	<b>-</b>	<b>74,23,24,000</b>	<b>-</b>	<b>74,23,24,000</b>



**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
		<b>Mr. Kazuhiko Shimamura Managing Director</b>
1.	Gross Salary	2,558,759
	Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	2,112,659
	Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	446,100
	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	Nil
	- others, specify .....	Nil
5.	Others, please specify (Company's contribution towards Provident Fund and Superannuation)	Nil
<b>Total (A)</b>		<b>2,558,759</b>

**Ceiling as per the Companies Act, 2013****B. Remuneration to other Directors:**

Particulars of Remuneration	Name of the Director			Total Amount
	Dr. Haresh Shah	Mr. Satyavara Prasad Garimella	Ms. Shilpa Dixit	
Independent Directors				
Fee for attending board / committee meetings	90,000	95,000	40,000	<b>2,25,000</b>
Commission	Nil	Nil	Nil	<b>Nil</b>
Others, please specify	Nil	Nil	Nil	<b>Nil</b>
<b>Total (1)</b>	<b>90,000</b>	<b>95,000</b>	<b>40,000</b>	<b>2,25,000</b>
Other Non-Executive Directors				
Fee for attending board / committee meetings	5,000	10,000		<b>15,000</b>
Commission	Nil	Nil		<b>Nil</b>
Others, please specify	Nil	Nil		<b>Nil</b>
<b>Total (2)</b>	<b>5,000</b>	<b>10,000</b>		<b>15,000</b>
<b>Total (B) = (1 + 2)</b>	<b>95,000</b>	<b>1,05,000</b>	<b>40,000</b>	<b>2,40,000</b>
<b>Total Managerial Remuneration</b>	<b>₹ 2,558,759</b>			
<b>Overall Ceiling as per the Companies Act, 2013</b>	<b>In compliance with Schedule V of the Companies Act, 2013</b>			

**C. Remuneration to Key Managerial Personnel other than Managing Director / Manager / Whole Time Director:**

Sr. No.	Particulars of Remuneration	Mr. Jitendra Parmar Chief Financial Officer	Mr. Omkar Kaulgud Company Secretary	Total Amount
1.	Gross Salary	2,461,664	613,286	<b>3,074,950</b>
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,461,664	613,286	<b>3,074,950</b>
b.	Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	Nil	Nil	<b>Nil</b>
c.	Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	Nil	Nil	<b>Nil</b>
2.	Stock Option	Nil	Nil	<b>Nil</b>
3.	Sweat Equity	Nil	Nil	<b>Nil</b>
4.	Commission			
	- as % of profit	Nil	Nil	<b>Nil</b>
	- others, specify .....			
5.	Others, please specify (Company's contribution towards Provident Fund and Superannuation)	127,740	26,856	<b>154,596</b>
	<b>Total</b>	<b>2,589,404</b>	<b>640,142</b>	<b>3,229,546</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. Company</b>						
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>B. Directors</b>						
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
<b>C. Other Officers in Default</b>						
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

**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 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

Sr. No.	Name of Director/ KMP & Designation	Remuneration of Director/KMP for Financial Year 2016-17	% increase in Remuneration in the financial year	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1.	Mr. Kazuhiko Shimamura (Managing Director)	2,558,759	-7.38%	5.14	The growth in revenue was 14.40% and increase in Profit after tax was 295% during FY 2017-18
2.	Mr. Jitendra Parmar (Chief Financial Officer)	2,461,664	11.20%	4.95	The growth in revenue was 14.40% and increase in Profit after tax was 295% during FY 2017-18
3.	Mr. Omkar Kaulgud (Company Secretary)	613,286	8.79%	1.23	The growth in revenue was 14.40% and increase in Profit after tax was 295% during FY 2017-18.

2. The median remuneration of employees of the Company during the financial year 2017-18 was ₹ 497,366.
3. In the financial year 2017-18, there was an increase of 28.27% in the median remuneration of employees.
4. As on March 31, 2018, there were 436 permanent employees who were on the roll of the Company.
5. Relationship between average increase in remuneration and Company performance:

The Profit After Tax for the financial year ended 31st March, 2018 increased by 295% whereas the median remuneration increased by 28.27% 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) increased by 1.69% from ₹ 55.40 Lacs in 2016-17 to ₹ 56.34 Lacs in 2017-18 whereas Profit After Tax increased by 309% from ₹ 261.14 Lacs in 2016-17 to ₹ 1069.09 Lacs in 2017-18.

# Form No. MR-3

## SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[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, 2018, 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, 2018, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 & The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the company during the audit period) ;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the company during the audit period) ; and
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the company during the audit period) ; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the company during the audit period) ;
- vi) As informed to us none of the other laws are applicable specifically to the company.



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

- i) Secretarial Standards with respect to board & general meetings issued by The Institute of Company Secretaries of India.
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the period under review there were no changes in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and company complied with the section 173 (3) of the Companies Act, 2013 except Board Meeting dated September 13, 2017 wherein Independent Directors were present. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

1. The Company has made allotment of 5,35,000 equity shares to the promoters i.e. Enkei Corporation Japan on preferential basis.

**For Shailesh Indapurkar & Associates**  
Company Secretaries

**CS Shailesh Indapurkar**

Proprietor  
ACS 17306  
C. P. No: 5701

Place: Pune  
Date: May 25, 2018

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

# 'Annexure A'

To,

**ENKEI WHEELS (INDIA) LIMITED**

Gat No. 1425, Village Shikrapur

Tal - Shirur, Pune - 412208

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

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

**For Shailesh Indapurkar & Associates**

Company Secretaries

**CS Shailesh Indapurkar**

Proprietor

ACS 17306

C. P. No: 5701

Place: Pune

Date: May 25, 2018

# Management Discussion and Analysis

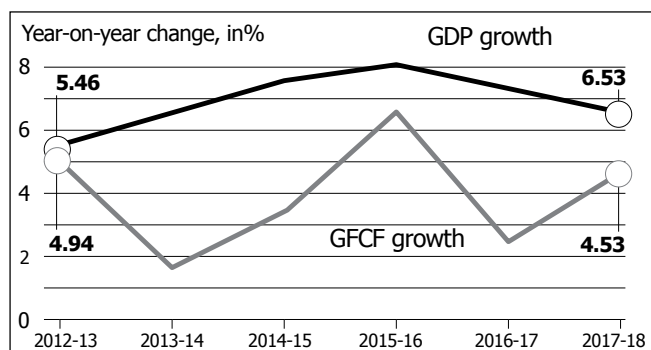
## Global economy

Recent developments in several advanced economies led to the revival of the global GDP growth in 2017. Although East and South Asia remained the world's most dynamic regions in terms of growth, the developed economies also recorded some firm growth in 2017. Thus the modest pickup in the economic activity which started at the tail end of 2016 continued for the most part of 2017, and the global economy registered a growth of around 3.6%. Favourable monetary and fiscal policies coupled with steady job growth led to a much stronger-than-expected 2017. As the recovery in investment, manufacturing, and trade continues, and as commodity-exporting developing economies benefit from firming commodity prices, 2018 is expected to be another year of positive growth for the global economy. Strengthening of the global economy growth is likely to continue in 2018 as nearly 75% of the world economy is currently enjoying an economic upswing on the back of higher domestic demand in most of the advanced and emerging economies. The global economy is expected to record a growth rate of 3.7% in 2018, up from 3.2 per cent in 2016.

## Indian economy

With the disruptions caused by the two major structural changes – the cash purge and GST – finally tapering off, coupled with the renewed optimism in the domestic demand and revival in small-scale business activities, the Indian economy performed beyond expectation in 2017. Although the first half of 2017 saw the nation's economic growth slumping to a three-year-low mainly due to destocking ahead of the GST implementation, however, the second half saw a greater recovery as the economy clocked a growth rate of 7.2%. Thus, our economy regained its status as the world's fastest-growing major economy in the October-December quarter, surpassing China's growth after a gap of one year. Multiple favourable macro-economic factors like increased government spending, improved domestic conditions, increased infrastructure spending initiatives and recovery of the global economy led to this turn-around of the Indian economy.

## Indian GDP growth



GDP: Gross Domestic Product, GFCF: Gross Fixed Capital Formation

(Source: <https://www.livemint.com/Politics/IMrBSPwIJIb5pFzGdUJwJ/Budget-2018-The-story-of-the-Indian-economy-in-10-charts.html>)

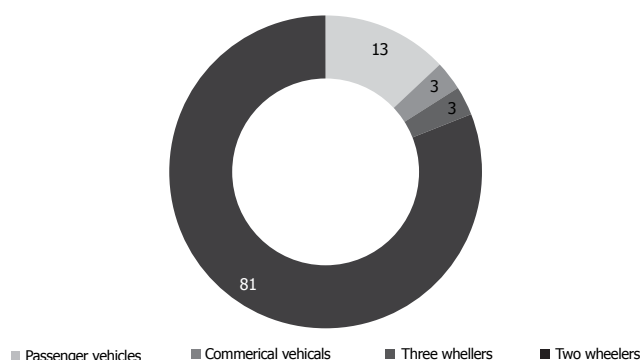
For the entire current fiscal ending on 31st March 2018, the economy recorded a growth rate of around 6.6%. Moving ahead in 2018-19, the revival in rural economy in terms of increased demand and increased infrastructure spending is likely to drive the economy ahead and would help it maintaining the "world's fastest-growing economy" status.

## Indian automotive industry

With India taking over Germany as the fourth largest global automotive market, right behind China, the United States and Japan, 2017-18 turned out to be a major success for the Indian automotive industry as the industry recorded an almost double-digit growth during last fiscal year. In FY18 the Indian automotive industry recorded a total sales of 4.02 million units, after registering a growth of nearly 9.2%. The Indian automobile industry can be majorly segregated into four segments but two-wheelers and passenger vehicles dominate the domestic demand with two-wheelers constituting the lion share of the domestic demand.

## Domestic market share for 2017-18

Domestic market share (in %)



(Source: <http://www.siamindia.com/statistics.aspx?mpgid=8&pgidtrail=12>)

## Production

The total automobile production (across the four segments) for the fiscal ending on 31st March 2018 stood at 29,075,605 vehicles compared to 25,330,967 vehicles over the same

period last year, after registering a growth of 14.78%. The total production for two wheeler in FY18 stood at 23,147,057 compared to 19,933,739 in FY17, a growth of nearly 16%. The total production of passenger vehicles for the year stood at 4,010,373 compared to 3,801,670 in the previous year, an increase of nearly 5.5%.

### Domestic sales

Compared to the last year, the sale of passenger vehicles grew by 7.89% in April-March 2018. Within the segment of Passenger Vehicles Passenger Cars, Utility Vehicle and Vans grew by 3.33%, 20.97% and 5.78% respectively in April-March 2018 over the same period last year.

Two wheelers sales for the year clocked a robust growth rate of 14.80% compared to the previous year. Within the two wheelers segment itself, scooters and motorcycles grew by 19.90% and 13.69% respectively, while mopeds declined by (3.48%) in April-March 2018 period compared to the previous year.

### Export scenario

In April-March 2018, overall automobile exports increased by 16.12%. Two and Three Wheelers Segments registered a growth of 20.29% and 40.13% respectively, while Passenger Vehicles and Commercial Vehicles declined by (1.51)% and (10.53)% respectively in April-March 2018 over the same period last year.

The overall automobile exports in FY18 saw an increase of nearly 16.12%. Amongst all the segments three and two wheelers registered the highest growth rate of 40.13% and 20.29% respectively compared to the previous year. On the other hand, the passenger vehicles and commercial vehicles segment saw a decline of (1.51)% and (10.53)% respectively compared to the previous year.

### Demand drivers for the industry

- Rising per-capita income level, growing middle-class and a large young population are expected to be the major drive demand factors for the industry
- Greater availability of credit and quick financing options are expected to boost sales
- Demand for commercial vehicles is likely to increase owing to increased level of activity in infrastructure sector
- Clear vision on the part of the government to make India an auto manufacturing hub and favourable policies
- Initiatives like 'Make in India', 'Automotive Mission Plan 2026', and NEMMP 2020 to give a huge boost to the sector
- Bigger and better roads are expected to drive sales
- With the continuous rise in the number of working women, preference for easy-to-drive scooters are expected to rise further

- India's remarkable automotive growth has so far been majorly fuelled by urban consumers –thus a substantial disparity between urban and rural sales. Presently rural India accounts for nearly 70% of the country's population. Thus the improvement of the rural economy will unlock rural demand for vehicles and help India realise its true potential in personal mobility.
- Considering low cost of production and in order to capture a dominant share in Indian automobile industry, prominent auto companies are increasing their production capacity. Thus there is a strong export potential in ultra-low-cost cars segment (to developing & emerging markets).

### Outlook

With the rural economy returning on the growth track due to two back to back good monsoon seasons coupled with the revival of the Indian economy post-demonetization and enforcement of GST and low vehicle penetration level in a number of states like Orissa, Bihar and Chhattisgarh among others, it is expected that this economy will highly benefit the Indian automobile industry in 2018-19 and bring back the positive sentiment. Utility vehicles, motorcycles and small commercial vehicle sales in the rural markets are expected to rise further in FY19. Overall, 2018-19 is expected to be a better performing year compared to 2017-18 in reviving overall vehicle sales.

As per the Society of Indian Automobile Manufacturers (SIAM), forecasted sales growth of passenger vehicles is expected to be around 8-10% in FY19, utility vehicles at around 14-15% and cars up between 8-9% in the domestic market. The two-wheeler industry is slated to deliver a better performance at 11-13%, with motorcycles up by 9-11% and scooters growing higher between 13-16%.

### Company overview

#### Expansion plan

With the accelerating growth of the automobile industry, the Company focused on enhancing its existing capacity during the year along with a focus on achieving full capacity utilisation. In line with this strategy, the Company embarked on enhancing its wheel manufacturing capacity by converting existing MAP facility to Most Advance Technology (MAT) manufacturing process for its four-wheeler segment during the year. This is expected to enhance Enkei's existing capacity by around 10-15%. Considering the increasing demand in the market for bigger size wheels and reface design models, the Company initiated the setting up of an additional manufacturing facility including an advanced painting facility adjacent to its present manufacturing to cater the demand of this new segment. With the facility becoming operational by the end of 2019, it is expected to double the production capacity of the four-wheeler segment of the Company.





### **Risk and concerns**

Risk is the manifestation of business uncertainty that affects corporate performance and prospects. It is an integral part of all businesses but can be controlled through awareness, discipline and commitment.

As a proactive enterprise, Enkei has a systems-based approach to manage risk. The Company's risk mitigation framework comprises a study of emerging business trends, evaluating the probability of the risk affecting the Company, framing policies and strategies, and structured reporting and control.

This disciplined approach coupled with centrally-issued policies, divisionally-evolved procedures and timely execution of proactive counter-measures strengthened Enkei's viability across verticals, products, geographies and market cycles, thereby ensuring that business risks are being effectively addressed.

Further, the senior management periodically reviews the risk management framework to ensure readiness and deal with emerging challenges in a dynamic environment.

### **Internal control systems and their adequacy**

The Company has a robust internal control system in place, adequate for the size and complexity of the organisation. A comprehensive review of all internal control systems have been carried out to monitor Company's expanding size and resulting needs. The IT support systems have also been upgraded for the same purpose. A system of internal audit to meet the statutory requirement as well as to ensure proper implementation of management and accounting controls is fully active. The Audit Committee periodically reviews the sufficiency of the internal audit functions.

The internal audit function is buttressed in consultation with statutory auditors for monitoring statutory and

operational issues. As internal auditors, the Company has appointed independent agencies. Testing the adequacy and effectiveness of all internal control systems and suggesting improvements are the prime objectives of this audit. Significant issues are brought to the attention of the audit committee for periodical review.

### **Human resources**

At Enkei, we believe that our people is one of our main pillar of success, in terms of attaining greater market share and improving previous year's performance. So we have strategically built its intellectual capital base which meets both the criteria of experience and youthfulness and positions the Company as a meaningful blend of youth and experience. The Company's 436 employees - strong team comprised members from diverse sectors and backgrounds.

To retain the skill within the Company, a special drive has been given towards increasing the ratio of Company and contractual labours. Each training program organized by the Company has the goal of achieving the high morale and motivation of its employees. The management also launched the "3E" - Enkei Evolving Education system, thereby ensuring a framed training to all employees.

### **Cautionary statement**

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, among others, which are valid only at the time of making the statements. A variety of factors known or unknown, expected or otherwise may influence the financial results. These statements are not expected to be updated or revised to take care of any changes in the underlying presumptions. Readers may therefore appreciate the context in which these statements are made before making use of the same.

# Corporate Governance Report

## 1. Company's Philosophy on Code of Governance

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

## 2. Board of Directors

### a) Board Membership Criteria

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

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

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

Name of Director	Category	Relation with Other Directors	No. of other Directorship held*		No. of Committees of other Companies in which Member/Chairman	No. of Shares held in the Company as at 31.03.2018
			Public	Private		
Mr. Kazuhiko Shimamura	Executive Managing Director	None	0	0	0	NIL
Mr. Junichi Suzuki	Promoter & Non Executive	None	1	0	0	NIL
Mr. Shailendrajit Rai	Non-Executive Director	None	4	5	1	262,674
Dr. Haresh Shah	Independent & Non Executive Director	None	0	6	0	NIL
Mr. Satyavara P. Garimella	Independent & Non-Executive Director	None	0	0	0	NIL
Ms. Shilpa Dixit	Woman & Independent Director	None	0	1	0	NIL

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

### c) Board Meetings and Annual General Meetings:

During the year 2017-18, 6 (Six) meetings of the Board of Directors of the Company held on following dates:

25th May 2017; 3rd August, 2017; 13th September 2017; 31st October, 2017, 15th November, 2017, and 23rd January, 2018;

The previous Annual General Meeting was held on 19th July, 2017.

Details regarding the attendance of Directors at the Board Meetings and the Annual General Meeting held during the year 2017-18 are presented in the following table.

Name of Director	No. of Board Meetings Attended (Total Meetings held – 7)	Whether last AGM attended
Mr. Kazuhiko Shimamura	6/6	Yes
Mr. Junichi Suzuki	1/6	No
Mr. Shailendrajit Rai	2/6	No
Dr. Haresh Shah	6/6	Yes
Mr. Satyavara P. Garimella	6/6	Yes
Ms. Shilpa Dixit	6/6	No

### d) Code of Conduct

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

### e) Board Procedure

All the Directors on the Board are informed the date and venue of the each Board Meeting at least seven days in advance along with Agenda. Detailed Agenda folder is sent to each Director in advance of the Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director appraises to the

Board the overall performance of the Company. The Board reviewed the strategy, business plan, annual operating and capital expenditure budgets, projections, compliance reports of all laws applicable to the Company as well as the steps taken to rectify instances of non-compliances, taking on record of unaudited quarterly/half yearly/ annual results, minutes of the meetings of the Audit and other Committees of the Board and information on recruitment of officers just below the Board level including the Compliance Officer. The company is complying with the Secretarial Standards issued by Institute of Company Secretaries of India in this regard.

### 3. Board Committees

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

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

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

#### (i) Audit Committee:

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

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

During the Financial Year 2017-18, 4 (Four) Audit Committee Meetings were held on following dates:

25th May 2017; 3rd August, 2017; 31st October, 2017 and 23rd January 2018.

Particulars of attendance of Audit committee Members at the Audit committee Meetings held during the Financial Year 2017-18:

<b>Name of Audit committee Member</b>	<b>Meetings Attended during Financial Year 2017-18 (Total Meetings held 4)</b>
Dr. Haresh Shah	4/4
Mr. Kazuhiko Shimamura	4/4
Mr. Satyavara P. Garimella	4/4

#### **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) Remuneration Committee**

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

The terms of reference of this committee are:

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

- Reviewing sitting fees payable to Directors for attending Board Meetings, Committee Meetings, etc.

#### **Criteria for performance evaluation of Independent Directors**

As required under Regulation 19 (4) & Schedule II Part D of the Listing Regulations and in terms of Companies Act, 2013, the criteria for performance evaluation of the Independent Directors and Board of Directors has been laid down in the 'Board Evaluation Policy' formulated by the Company. This policy evaluates the performance of the Board, its committees and individual directors. In terms of the policy, performance evaluation of the directors has been done by each director individually scoring each other director on the basis of guidelines of professional conduct, role, functions and duties performed by him/her which in turn are based on numerous parameters. Criteria include director's level of ethical conduct, objectivity, value addition, participation level, attendance and various other qualitative as well as quantitative parameters which have had an impact on the Board process becoming more and more effective.

#### **Details of remuneration paid to Managing Director-**

During the year 2017-18, the remuneration paid to the Managing Director is ₹ 25,58,759 per annum.

- Details of sitting Fees paid to the Non-Executive Directors for attending the Board and Committee Meetings during the financial year 2017-2018.

<b>Name of the Independent &amp; Non – Executive Director</b>	<b>Sitting Fees (in ₹)</b>
Dr. Haresh Shah	90,000
Mr. GSV Prasad	95,000
Ms. Shilpa Dixit	40,000
Mr. Junichi Suzuki	5,000
Mr. Shailendrajit Rai	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. Kazuhiko Shimamura as members to look into redressal of Stakeholders' complaints on various issues.

Following are the details of Investor Complaints:

Total Complaint Received during the year	04
Total Complaint Resolved during the year	04
Total Complaint pending at the end of the year	Nil

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

Name and designation of Compliance Officer:

Mr. Omkar Kaulgud, Company Secretary,

#### (iv) Share Transfer Committee

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

The Committee:

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

During the Financial Year 2017-18, 7 (Seven) Share Transfer Committee Meetings was held on following dates:

10th April,2017, 10th May,2017, 1st June,2017, 7th July,2017, 28th August,2017. 23rd January 2018 & 2nd March, 2018

Name of Share Transfer committee Member	Meetings Attended during Financial Year 2017-18 (Total Meetings held 7)
Mr. Satyavara P. Garimella	7/7
Dr. Haresh Shah	7/7
Mr. Kazuhiko Shimamura	7/7

#### (v) Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of Mr. Satyavara P. Garimella, Chairman of the Committee, Mr. Kazuhiko Shimamura, and Ms. Shilpa Dixit as members. For the year under review the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Further, the Board of Directors has decided to do voluntarily formed the CSR Committee & approve CSR Policy. The detailed constitution of CSR Committee is provided in Corporate Governance Report & CSR Policy is available on the website of the Company.

During the Financial Year 2017-18, 1 (One) CSR Committee Meeting was held on 21st March 2018 in which all the members were present.

## 4. General Body Meetings

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

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



## 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. Junichi Suzuki	25-01-1948	24-03-2010	Engineer	Engineering & Management	NIL	NIL

## 6. Means of Communication:

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

## 7. General Shareholder Information:

### (i) Annual General Meeting

Date and Time : 2nd August, 2018 at 12.30 p.m.

Venue : At the registered office of the Company at Gat No. 1425, Village Shikrapur, Taluka Shirur, District, Pune – 412208.

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

(iii) Date of Book closure : 26th July 2018 to 2nd August, 2018 (Both days inclusive)

(iv) Dividend payment date : N.A.

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

(vi) Stock Code : BSE Limited: 533477

(vii) ISIN : INE130L01014.

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

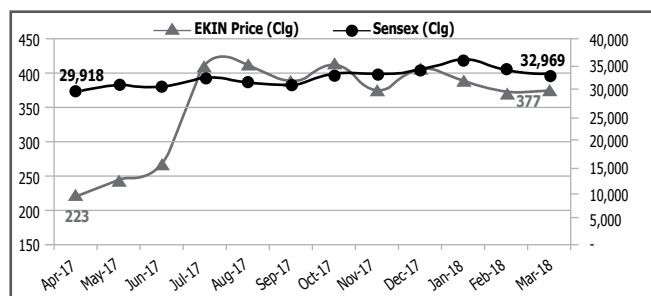
BSE Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001  
Tel. No. (022) 2272 1233/34, Fax No. (022) 2272 1919  
The annual Listing fees have been paid to BSE Limited.

### (ix) Market Price Data for the Year 2017-18:

The high and low market price and the volume of Enkei's shares traded on the BSE Limited during the period from April 01, 2017 to March 31, 2018 are presented in the following table.

**Market Price Data:**

Month	High Price	Low Price
Apr-17	242.95	190.00
May-17	254.70	216.00
Jun-17	291.80	240.00
Jul-17	464.00	268.00
Aug-17	448.70	336.65
Sep-17	455.50	381.00
Oct-17	424.00	375.30
Nov-17	420.00	355.55
Dec-17	420.00	361.25
Jan-18	467.90	382.00
Feb-18	414.00	350.00
Mar-18	403.00	361.00

**Movement of Sensex & Share Price of Enkei Wheels (India) Limited****(x) Registrars and share transfer agents:**

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

M/s. Universal Capital Securities Private Limited  
(Unit: Enkei Wheels (India) Limited)  
21, Shakil Niwas, Opp. Sai Baba Temple, Mahakali  
Caves Road, Andheri (E), Mumbai - 400093.

**(xi) Share Transfer System**

Transfers of shares are processed by the Share Transfer Agent and approved by the Share Transfer Committee which meets at frequent intervals. Share transfers are registered and returned generally within 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.

**(xii) Distribution and Shareholding Pattern as on 31st March, 2018:**

Share or Debenture Holding Nominal Value of	Share Holders		Shareholdings	
	Number	% to Total	Number	% to Total
Upto - 500	3992	83.149	556023	2.205
501 - 1000	386	8.040	307313	1.443
1001 - 2000	200	4.166	300888	1.888
2001 - 3000	70	1.458	175574	0.946
3001 - 4000	36	0.750	127793	0.651
4001 - 5000	22	0.458	99915	0.680
5001 - 10,000	57	1.187	395343	2.742
10,001 And Above	38	0.792	13448846	89.445
<b>Total</b>	<b>4801</b>	<b>100.00</b>	<b>15411695</b>	<b>100</b>

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

As on 31st March, 2018 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	2117	13741453
(b) Electronic form - CDSL	2456	1546990
(b) Physical form	228	123252
<b>Total (A)</b>	<b>4801</b>	<b>15411695</b>

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

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

**(xv) Foreign Exchange risk**

During the year 2017-18, the Company had managed the foreign exchange risk by hedging activities to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 32(d) and Note No. 32(e) to the Financial Statements.

**(xvi) Plant Location**

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

**(xvii) Address for correspondence**

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

M/s. Universal Capital Securities Private Limited  
(Formerly known as Mondkar Computers Private Limited)

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

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

(III) Company Address for correspondence:

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

**8. Other Disclosures:**

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

2. There are no non-compliance by the Company, no penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

**3. Vigil Mechanism:**

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

**4. Related party policy:**

Board of Directors of the Company has approved the Related Party Policy of the Company which is available on the website of the Company at <http://www.enkei.in/download/others/Related%20Party%20Policy.pdf>

**Non-Mandatory Requirements:**

**1. Shareholders Rights:**

As the Company shall publish quarterly/half yearly results in English and Marathi newspapers having wide circulation the same shall not be sent to shareholders household.

**2. Reporting of Internal Auditor:**

The Board of Directors of the Company has appointed M/s Mrugendra Mandake & Associates, Chartered Accountants Pune as the Internal Auditor of the Company. The quarterly reports provided by Internal Auditors are presented to the Audit Committee of the Company.

**Place : Pune**

**Date: May 25, 2018**

## DECLARATION FOR THE COMPLIANCE WITH CODE OF CONDUCT

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

**Place: Pune**  
**Date: May 25, 2018**

**Kazuhiko Shimamura**  
(Managing Director)

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### Auditors' Certificate Regarding Compliance of Conditions of Corporate Governance

To the Members,

#### **Enkei Wheels (India) Limited**

We have examined the compliance of conditions of Corporate Governance by Enkei Wheels (India) Limited (the Company) for the year ended 31st March 2018 as stipulated in under Regulations 17 to 27, 46 (2) (b) to (i) and para C, D, E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

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

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

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

For **Asit Mehta & Associates**  
Chartered Accounts  
Firm Regn. No. 100733W

**Place: Pune**  
**Date: May 25, 2018**

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

## CEO/CFO CERTIFICATION TO THE BOARD

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

- a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March 2018 and that based on our knowledge, belief and information:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee of:
  - i. There has been no change in the accounting policies followed by the Company during the year.
  - ii. There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii. We are not aware of any instance during the year of significant fraud with involvement therein, of the management or any employee having a significant role in the company's internal control system over financial reporting.

**Place : Pune**  
**Date : May 25, 2018**

**Kazuhiko Shimamura**  
Managing Director  
(DIN: 05129816)

**Jitendra Parmar**  
Chief Financial Officer



# Independent Auditors' Report

## To the Members

### Enkei Wheels (India) Limited.

#### Report on the Financial Statements

1. We have audited the accompanying Ind AS financial statements of Enkei Wheels (India) Limited ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Ind AS financial statements").

#### Management's Responsibility for the Financial Statements.

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act.

We conducted our audit Ind AS financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as 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 Ind AS financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors as well as evaluating the overall presentation of the Ind AS 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 Ind AS financial statements.

#### Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2018, and its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
8. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid the Ind AS financial statements comply, in all material respects, with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of written representations received from the Directors, as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B'.
  - (g) With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has, disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer Note 32 (k) to Ind AS the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting or accounting standards.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

Place: Pune  
Date: May 25, 2018

# Annexure-A to the Independent Auditors' Report

(Referred to in Paragraph 7 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, 2018)

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

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

- (i) (a) The Company has generally maintained proper records showing particulars including quantitative details and situation of its fixed assets.
- (b) In our opinion and according to the information and explanations given to us, some of the fixed assets have been physically verified by the Company's management as a part of the Company's plan of verification of all its fixed assets over a period three years. We are informed that no material discrepancies were noticed, on physical verification. We have relied on management representations for the same.
- (c) According to the information and explanations given to us and on the basis our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories comprising semi-finished goods, raw materials, stores and spares etc. have been physically verified by the Company's management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account. We have relied on management representations for the same.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a),(b)&(c) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of section 185 of the Act apply. There are no loans, investments, guarantees and security by a company to any person or other body corporate contemplated by the provisions section 186 of the Act. Accordingly, the provisions of clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public and does not have unclaimed deposits within the meaning of the provisions of section 73 to 76 of the Companies Act, 2013 Act and rules framed thereunder. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us and in our opinion, maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 (1) of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014. Accordingly, the provisions of clause (vi) paragraph 3 of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing of the amounts deducted / accrued in its books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues as applicable to it with the appropriate authorities.  
  
According to the records of the Company and according to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues referred above were in arrears as at March 31, 2018 for a period of more than six months from the date those became payable.
- (b) According to the information and explanations given to us, there are no dues of income-tax, service tax,

duty of customs, duty of excise, sales-tax, value added tax, cess which have not been deposited on account of any dispute other than those mentioned below.

Name of the statute / nature of dues	Period to which the amount relates	Amount involved (Rs.)	Forum where dispute is pending
Value Added Tax	2010-11	5,34,28,525/-	Joint Commissioner of Sales Tax (Appeals) 2,Pune

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing to banks. There are no loans or borrowings from financial institutions or government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans by the Company, have, prima-facie, been applied for the purposes for which those were raised. The Company has not raised moneys by way of initial public offer or further public offer.

(x) According to the information and explanations given to us and to the best of our knowledge, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and on the basis of our examination of the records, the Company has paid / provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.

(xii) The Company is not the Nidhi Company and therefore the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance of with section 177 and 188 of the Act where applicable and the details of which have been disclosed in the financial statements etc as required by the applicable accounting standards.

(xiv) The Company has made preferential allotment during the year under audit which is in compliance of the requirement of section 42 of Act and the amount raised have, prima- facie, been used for the purpose for which the funds were raised.

(xv) In our opinion an according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and therefore the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause (xvi) of paragraph 3 of the Order are not applicable to the Company.

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

**Sanjay S. Rane**  
**Partner**

Place: Pune  
 Date: May 25, 2018

Membership No.100374

# Annexure-B to the Independent Auditors' Report

(Referred to in Paragraph 8 (f) of our report of even date on the Ind AS financial statements of **Enkei Wheels (India) Limited** ('the Company') for the year ended March 31, 2018)

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

We have audited the internal financial controls over financial reporting of **Enkei Wheels (India) Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that,

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility



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

According to the information and explanations given to us, the Company is in the process of documenting and strengthening some of its policies and business processes so as to cover all components and facets of internal control environment and risk assessment framework.

### **Opinion**

In our opinion and to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

**Sanjay S. Rane**  
**Partner**

Place: Pune  
Date: May 25, 2018

Membership No.100374

# Balance Sheet

as at March 31, 2018

(Amt. in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Assets</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and Equipment	3	<b>1,26,55,67,399</b>	1,28,97,87,632	1,31,34,29,586
(b) Capital work-in-progress		<b>1,54,78,740</b>	-	-
(c) Investment Property				
(d) Goodwill				
(e) Other Intangible Assets				
(f) Intangible assets under development				
(g) Biological Assets other than bearer plants				
(h) Financial Assets				
(i) Investments				
(ii) Trade receivables				
(iii) Loans				
(iv) Others				
(i) Deferred tax assets (Net)	4	<b>2,98,55,430</b>	1,47,12,108	-
(j) Other non-current assets	5	<b>24,08,69,437</b>	48,075,678	6,87,03,256
<b>Sub Total - Non-current assets</b>		<b>1,55,17,71,006</b>	<b>1,352,575,418</b>	<b>1,38,21,32,842</b>
<b>2 Current assets</b>				
(a) Inventories	6	<b>23,14,99,111</b>	13,66,97,414	18,84,04,728
(b) Financial Assets				
(i) Investments		-	-	-
(ii) Trade receivables	7	<b>68,29,58,090</b>	64,10,29,870	64,65,94,408
(iii) Cash and cash equivalents	8	<b>96,755,473</b>	71,199,911	75,665,864
(iv) Bank balances other than (iii) above	9	<b>100,000</b>	522,807	4,213,751
(v) Loans				
(vi) Others				
(c) Current Tax Assets (Net)	10	<b>11,15,27,220</b>	10,12,21,088	22,44,029
(d) Other current assets	11	<b>4,91,73,680</b>	5,40,20,116	8,22,69,241
<b>Sub Total - Current assets</b>		<b>1,172,013,574</b>	<b>1,004,691,205</b>	<b>99,93,92,021</b>
<b>Total Assets</b>		<b>2,72,37,84,580</b>	<b>2,357,266,623</b>	<b>2,38,15,24,863</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
(a) Equity share capital	12	<b>7,70,58,475</b>	7,43,83,475	7,06,64,300
(b) Other Equity	12.1	<b>72,91,13,474</b>	35,87,41,077	8,73,85,350
<b>Sub Total - Equity</b>		<b>80,61,71,949</b>	<b>43,31,24,552</b>	<b>15,80,49,650</b>
<b>Liabilities</b>				

# Balance Sheet (Contd.)

as at March 31, 2018

(Amt. in ₹)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>1 Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	13	52,18,59,200	61,43,76,000	62,60,36,000
(ii) Trade payables	14	59,39,05,905	70,48,71,589	78,73,47,501
(iii) Other financial liabilities (Other than specified in item (b), to be specified)		-	-	-
(b) Provisions	15	43,73,871	1,01,88,905	63,77,970
(c) Deferred tax liabilities (Net)		-	-	3,18,06,703
(d) Other non-current liabilities		-	-	-
<b>Sub Total - Non-current liabilities</b>		<b>1,12,01,38,976</b>	<b>1,32,94,36,494</b>	<b>1,45,15,68,174</b>
<b>2 Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	80,000,000	8,00,00,000	16,00,00,000
(ii) Trade payables				
a. Total outstanding dues of micro enterprises and small enterprises	17(i)	-	-	-
b. Total outstanding dues of creditors other than small enterprises	17(ii)	38,51,52,472	37,21,56,087	56,69,61,261
(iii) Other financial liabilities (Other than specified in item (c), to be specified)	-	-	-	-
(b) Other current liabilities	18	22,81,13,710	3,97,19,858	3,50,64,894
(c) Provisions	19	13,60,413	14,62,093	8,69,479
(d) Current Tax Liabilities (Net)	20	10,28,47,060	10,13,67,539	90,11,405
<b>Sub Total - Current Liabilities</b>		<b>79,74,73,655</b>	<b>59,47,05,577</b>	<b>77,19,07,039</b>
<b>Total Equity and Liabilities</b>		<b>2,72,37,84,580</b>	<b>2,35,72,66,623</b>	<b>2,38,15,24,863</b>

Company information and significant accounting policies 1&2

Contingent liabilities and commitments 33k

The accompanying notes are forming part of these financial statements

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

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

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

**Kazuhiko Shimamura**  
Managing Director  
DIN : 05129816

**Haresh Shah**  
Director  
DIN : 00228471

**Jitendra Parmar**  
Chief Financial Officer

**Omkar Kaulgud**  
Company Secretary

Place: Pune  
Date: May 25, 2018

Place: Pune  
Date: May 25, 2018

# Statement of Profit and Loss

for the period ended March 31, 2018

Particulars	Note No.	(Amt. in ₹)	
		Year ended March 31, 2018	Year ended March 31, 2017
<b>I. Revenue from Operations</b>	21	<b>4,78,52,35,446</b>	4,58,88,33,059
<b>II. Other Income</b>	22	<b>72,96,078</b>	19,56,626
<b>III. Total Income (I + II)</b>		<b>4,79,25,31,524</b>	<b>4,59,07,89,685</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	23	<b>2,64,99,69,404</b>	2,22,01,02,998
Purchases of stock-in-trade	24	<b>30,81,729</b>	21,29,516
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	<b>(7,90,84,723)</b>	(8,23,000)
Employee benefits expense	26	<b>33,02,52,252</b>	28,77,58,000
Finance Costs	27	<b>4,75,22,281</b>	4,70,63,923
Depreciation and amortisation expense	28	<b>23,29,85,060</b>	21,73,33,153
Excise Duty on Sales		<b>13,75,42,810</b>	52,16,58,906
Other Expenses	29	<b>1,32,66,37,248</b>	1,22,13,51,770
<b>Total Expenses (IV)</b>		<b>4,64,89,06,061</b>	<b>4,51,65,75,266</b>
<b>V. Profit/(Loss) before exceptional items and Tax (I-IV)</b>		<b>14,36,25,463</b>	<b>7,42,14,419</b>
<b>VI. Exceptional items- Expense/(Income)</b>	30	(4,96,62,452)	-
<b>VII Profit/(Loss) before tax (V-VI)</b>		<b>19,32,87,915</b>	<b>7,42,14,419</b>
<b>VIII. Tax Expense:</b>			
(a) Current tax	31	<b>10,01,61,453</b>	9,27,72,623
(b) Deferred tax / (Credit)	32	<b>(1,46,72,509)</b>	(4,58,79,863)
		<b>8,54,88,944</b>	<b>4,68,92,760</b>
<b>IX Profit (Loss) for the year (VII-VIII)</b>		<b>10,77,98,971</b>	<b>2,73,21,659</b>
<b>X Other Comprehensive Income</b>		-	-
<b>A (i) Items that will not be reclassified to Profit or Loss</b>		<b>(13,60,417)</b>	<b>(18,46,244)</b>
<b>(ii) Income Tax relating to items that will not be reclassified to profit or loss</b>		<b>4,70,813</b>	<b>6,38,948</b>
<b>B (i) Items that will be reclassified to Profit or Loss</b>	-	-	-
<b>(ii) Income Tax relating to items that will be reclassified to profit or loss</b>	-	-	-
		<b>(8,89,604)</b>	<b>(12,07,296)</b>
<b>XI "Total Comprehensive Income for the period (IX+X (Comprising Profit/(Loss) and Other Comprehensive Income for the period))"</b>		<b>10,69,09,367</b>	<b>2,61,14,363</b>
<b>XII Earning per Equity share</b>		-	-
<b>(1) Basic (Face Value of ₹ 5/- each)</b>		7.11	1.91
<b>(2) Diluted (Face Value of ₹ 5/- each)</b>		7.11	1.91
Company information and significant accounting policies	1 & 2		

The accompanying notes are forming part of these financial statements

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

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

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

**Kazuhiko Shimamura**  
Managing Director  
DIN : 05129816

**Haresh Shah**  
Director  
DIN : 00228471

**Jitendra Parmar**  
Chief Financial Officer

**Omkar Kaulgud**  
Company Secretary

Place: Pune  
Date: May 25, 2018

Place: Pune  
Date: May 25, 2018

# Cash Flow Statement

for the year ended March 31, 2018

(Amt. in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>A Cash Flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	<b>193,287,915</b>	74,214,419
<b>Adjusted for :</b>		
Old liabilities written back (net)	<b>49,662,452</b>	-
<b>Net Profit / (Loss) before exceptional items and tax</b>	<b>143,625,463</b>	<b>74,214,419</b>
<b>Adjusted for :</b>		
Fair valuation of long-term liabilities	-	118,128,551
Interest cost - Fair valuation of longterm liabilities	<b>17,194,887</b>	16,646,442
Fair valuation of defined benefit obligations	<b>1,360,417</b>	1,846,244
Depreciation and amortisation	<b>232,985,060</b>	217,333,153
Loss/(Profit) on sale of Other Fixed Assets	<b>23,182,367</b>	(410,063)
Interest expense	<b>30,327,394</b>	30,417,481
Interest Income	<b>(6,490,838)</b>	(1,008,695)
Unrealised Foreign Exchange Loss (net)	<b>47,288,066</b>	39,116,509
Sundry Balances written off/(back)	<b>2,455,864</b>	(400,848)
Rebates	-	699,765
	- 348,303,217	- 422,368,539
<b>Operating profit / (loss) before working capital changes</b>	<b>491,928,679</b>	<b>496,582,958</b>
<b>Adjusted for :</b>		
Inventories	<b>(94,801,697)</b>	51,707,314
Trade receivables	<b>(41,928,220)</b>	5,564,538
Advances and other current assets	<b>7,525,752</b>	53,058,115
Trade payables	<b>(41,585,529)</b>	(338,778,905)
Provisions	<b>(5,916,714)</b>	4,403,549
Other current liabilities	<b>57,929,052</b>	(37,513,459)
	(118,756,356)	(261,558,848)
Cash generated from operations	373,151,323	23,50,24,110
Income tax (paid) / refund	(111,610,800)	(69,495,132)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>261,540,523</b>	<b>165,528,978</b>
<b>B Cash flow from investing activities</b>		
Purchase of Fixed Assets, Capital Expenditure and Capital Advances	<b>(446,394,773)</b>	(207,362,294)
Sale of Fixed Assets	<b>3,773,562</b>	1,756,553
Investment in Term deposits (not considered as cash & cash equivalent)	<b>422,807</b>	3,690,944
Interest Income	<b>6,490,838</b>	1,008,695
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(435,707,567)</b>	<b>(200,906,101)</b>
<b>C Cash flow from financing activities</b>		
Proceeds from issue of share capital / share application	<b>230,050,000</b>	141,328,650
Proceeds from short term borrowings	-	(80,000,000)
Proceed from long term borrowings	-	-
Interest paid	<b>(30,327,394)</b>	(30,417,481)
<b>Net cash flow from / (used in) financing activities</b>	<b>199,722,606</b>	<b>30,911,169</b>

# Cash Flow Statement (Contd.)

for the year ended March 31, 2018

Particulars	(Amt. in ₹)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Net increase / (decrease) in cash and cash equivalents (A+B+C)	<b>25,555,562</b>	<b>(4,465,953)</b>
Cash and cash equivalents at the beginning of the year	<b>7,11,99,911</b>	7,56,65,864
Effect of exchange difference on restatement of foreign currency cash and cash equivalents	-	-
Cash and cash equivalents at the end of the year	<b>9,67,55,473</b>	<b>7,11,99,911</b>
Reconciliation of cash and cash equivalents with the balance sheet :		
Cash and cash equivalents as per Balance Sheet (Refer Note 8 )	96,755,473	71,199,911
* Comprises		
(a) Cash on Hand	152,622	5,82,482
(b) Balances with banks		
- in current accounts - Rupee accounts	48,385,042	70,617,429
- In deposit account	48,217,809	-
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

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

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

**Kazuhiko Shimamura**  
Managing Director  
DIN : 05129816

**Haresh Shah**  
Director  
DIN : 00228471

**Jitendra Parmar**  
Chief Financial Officer

**Omkar Kaulgud**  
Company Secretary

Place: Pune  
Date: May 25, 2018

Place: Pune  
Date: May 25, 2018



# Statement of Changes in Equity

for the year ended March 31, 2018

## (a) Equity share Capital

Sr. Particulars No	Number of Shares	(Amt. in ₹)
		Amount
<b>a Balance at April 1, 2016</b>	1,41,32,860	7,06,64,300
Changes in Equity share capital during the year	7,43,835	37,19,175
<b>b Balance at March 31, 2017</b>	1,48,76,695	7,43,83,475
Changes in Equity share capital during the year	5,35,000	26,75,000
<b>c Balance at March 31, 2018</b>	<b>1,54,11,695</b>	<b>7,70,58,475</b>

## (b) Other equity

Sr. No	Particulars	Reserves and Surplus				Foreign Currency Translation Reserve	Items of other comprehensive income		Total
		Reserves created on amalgamation	Securities premium reserve	Profit & Loss Account	Retained earnings		Equity instrument through other comprehensive income	Effective portion of cash flow hedge	
<b>a Balance at April 1, 2016</b>		31,82,52,008	(12,76,82,697)	13,47,74,993	(23,79,58,954)			87,385,350	
Profit for the year									
Addition during the year		13,76,09,475	2,73,21,659	-	10,76,31,889			27,25,63,023	
Fair valuation of define benefit obligations through other comprehensive income						(12,07,296)		(12,07,296)	
<b>Total comprehensive income for the year</b>									
payment of dividend									
Tax on Dividend									
Transfer from retained earnings									
<b>b Balance at March 31, 2017</b>		45,58,61,483	(10,03,61,038)	13,47,74,993	(13,03,27,065)	(12,07,296)	0	35,87,41,077	
Profit for the year									
Addition during the year		22,73,75,000	10,77,98,971		36,088,030			37,12,62,001	
Fair valuation of define benefit obligations through other comprehensive income						(889,604)		(8,89,604)	
<b>Total comprehensive income for the year</b>									
payment of dividend									
Tax on Dividend									
Transfer from retained earnings									
<b>c Balance at March 31, 2018</b>		<b>68,32,36,483</b>	<b>74,37,933</b>	<b>13,47,74,993</b>	<b>(94,239,036)</b>	<b>(20,96,900)</b>		<b>729,113,473</b>	

The accompanying notes are forming part of these financial statements

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

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

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

**Kazuhiko Shimamura**  
Managing Director  
DIN : 05129816

**Haresh Shah**  
Director  
DIN : 00228471

**Jitendra Parmar**  
Chief Financial Officer

**Omkar Kaulgud**  
Company Secretary

Place: Pune  
Date: May 25, 2018

Place: Pune  
Date: May 25, 2018

# Significant Accounting Policies

forming part of the financial statements

## 1 Corporate information

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

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

## 2 Significant accounting policies

### 2.1 Basis of preparation of financial statements and measurement

- a) These financial statements have been prepared on accrual and going concern basis and are presented in Indian Rupees, the functional currency of the Company.
- b) These financial statements have been prepared in accordance with the Indian Accounting Standards (herein after referred to as the 'Ind AS' as notified by the Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 except and to the extent otherwise stated hereinafter.
- c) All assets and liabilities have been classified as current or non current as per the Company's operating cycle and other criteria set out in Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.
- d) The accounting policies adopted in the preparation of financial statements by the Company are consistent with those of the earlier years except and to the extent stated otherwise hereinafter.
- e) These financial statements are prepared under the historical cost convention unless and to the extent stated otherwise hereinafter.
- f) The Company has first time adopted Ind AS with transition date of April 01 2016 with comparatives

being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

### 2.2 Use of estimates

The preparation of financial statements requires the Company's management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported balances of assets, liabilities income and expense and disclosures relating to contingent liabilities as at the date of the financial statements. Examples of such estimates inter alia, include determination of the useful lives of property, plant and equipment, employee benefits, allowance for doubtful receivables, provision for income taxes. Actual results may differ as a result of changes in the estimates. Revisions to accounting estimates are recognised prospectively.

### 2.3 Inventories

- a) Inventories are valued at the lower of cost and net realisable value. Cost of finished goods and work-in-progress comprises of all costs of purchases, conversion costs and other costs (net of recoverable taxes) incurred in bringing the inventories to their respective present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.
- b) Cost of raw materials are determined on weighted average basis.
- c) Cost of consumables, stores and spares, packing materials are determined on First In First Out basis.

### 2.4 Depreciation and amortisation

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

# Significant Accounting Policies

## forming part of the financial statements

production is obtained, particularly in case of plant and equipment with fair degree of regularity and not only on the basis of the assets are ready to put to use, as the case may be.

### 2.5 Revenue recognition

- a) Revenue from sale of goods is recognised on dispatch of goods and when the significant risks and rewards of ownership have been transferred to the buyer, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably and it is reasonable to expect ultimate collection based upon negotiations with the customers for price escalations and price settlements.
- b) Revenue is measured at fair value of the consideration received or receivable, after deducting/excluding any trade discounts and taxes or duties collected on behalf of the government such as sales tax, value added tax, goods and services tax, etc.
- c) 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 Interest income

Interest income from a financial asset is recognised using effective interest rate method.

### 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 Financial instruments

#### i) Financial Assets

##### A. Initial recognition and measurement

All financial assets are initially recognized at fair value. Its transaction cost are recognised in the statement of profit and loss.. Transaction costs that are directly attributable to the acquisition or issue of financial asset, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

##### "B. Subsequent measurement"

##### a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model

whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

### C. Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every

# Significant Accounting Policies

forming part of the financial statements

reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

## ii) Financial Liabilities

### A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

### " B. Subsequent measurement"

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### iii) 'Derecognition of Financial Instruments:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

### iv) 'Derecognition of Financial Instruments:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

- v) 'The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables, short term borrowings at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature. Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

## 2.9 Property, plant and equipment

- a) Property, plant and equipment are carried at cost, less accumulated depreciation and impairment losses, if any. The cost represents purchase price (net of recoverable of taxes) and all other direct expenses including financing cost in respect of acquisition or construction of property, plant and equipment for the period up to the date of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by the Company's management.
- b) Subsequent expenditure relating to property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- c) Property, plant and equipment includes investment in land which is intended to be occupied for use by /in the operations of the Company, though actual use may have been pro-longed. Property, plant and equipment does not include spares and equipment which do not meet the definition of property, plant and equipment, though they are expected to be used for a longer period.
- d) Advances paid for the acquisition of property, plant and equipment, that remained outstanding at each balance sheet date is classified as 'capital advances' under "non-current assets". Property, plant and equipment, net of income earned during the project development stage, which are not ready for intended use are shown under 'Capital work-in-progress'.
- e) Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.
- f) The Company has elected to measure items of property, plant and equipment at its carrying value at the transition date, which is 01.04.2016 as deemed cost.

## 2.10 Foreign currency transactions and translations

- a) Transactions denominated in foreign currencies are recorded in the books at the exchange rate prevailing

# Significant Accounting Policies

forming part of the financial statements

on the date transactions or that approximates the actual rate at the date of transaction.

- b) Monetary items denominated in foreign currencies at the year end are translated into the functional currency, which is Indian Rupee at exchange rates prevailing as at the Balance sheet date.
- c) Exchange gains or losses on foreign currency liabilities prior to April 1, 2016 which are related to the acquisition or construction of qualifying assets are adjusted in the carrying cost of such assets. In case of foreign currency borrowings/trade liabilities which are long-term in nature, 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 was first exercised.  
  
Balance in 'Foreign Currency Monetary Item Translation Difference Account' is shown as a separate line item under the head "Reserves and Surplus" as per ICAI Announcement on "Presentation of Foreign Currency Monetary Item Translation Difference Account"
- d) The gains or losses on account of exchange differences either on settlement or on translations are recognised in the Statement of Profit and Loss.

## 2.11 Employee benefits

Employee benefits include provident fund, pension fund, gratuity fund, labour welfare fund, employees state insurance, compensated absences and medical benefits.

### Defined contribution plans

Both, the eligible employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company's contribution to provident fund, pension fund, employees state insurance etc., are considered as defined contribution plans.

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

the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets.

"For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged or credited to 'Finance costs' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

The defined benefit plan surplus or deficit on the Balance Sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period).

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. The classification of the Company's net obligation into current and non-current is as per the actuarial valuation report.

### Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is payable in the year of exercise of option by the employee. The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

### Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability determined by actuarial valuation, at the



present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

### 2.12 Finance costs

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

### 2.13 Leases

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

### 2.14 Segment Reporting

The Company has single operating segment viz. that of Automotive Wheels. Accordingly, disclosure requirements as per Indian Accounting Standard (Ind AS 108)- "Operating Segment " are not applicable to the Company.

### 2.15 Taxes on income

- a) Income Tax expense comprises of current tax and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity.
- b) Current tax is the amount expected to be paid (or recovered) to/from the tax authorities using the tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. It also includes adjustment to taxes in respect of previous years.
- c) Deferred tax expense (or credit) are recognised subject to the consideration of prudence, on temporary differences between the carrying

amounts of assets and liabilities in the financial statements and the corresponding amounts used for taxation purposes. 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 liabilities are recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax liabilities and assets are measured using tax rates enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.
- e) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

### 2.16 Impairment of Non-Financial Assets -Property Plant and Equipment

- a) The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- b) "An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount."



- c) In the considered view of the the Company's management there is indication of impairment of any Property, Plant and Equipment or group of Assets which would result into loss -actual or potential, over and above the amount already provided in the books under the head 'Depreciation'.

### **2.17 Provisions , contingencies and commitments**

- a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.
- b) If the effect of the time value of money is material, provisions are discounted to reflect its present

value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

- c) Contingent Liabilities are not recognised but are disclosed in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events. Contingent Assets are neither recognised nor disclosed in the financial statements.

# Notes

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## 3. Property, Plant and Equipment

Particulars	(Amt. in ₹)											
	Freehold Land	Buildings	Plant and Machinery	Factory Equipments	Electrical Installation	Furniture and Fixture	Computers	Office Equipments	Quality Control Equipments	Vehicles- Owned	Vehicles- Leased	Dies & Moulds
<b>Cost</b>												
Cost at 1st Apr' 2016	340,985,703	234,809,977	1,382,551,139	95,854,550	69,880,179	13,931,658	18,194,543	10,568,830	3,191,976	12,615,291	2,104,193	434,201,866
Addition	-	22,169,242	78,006,011	14,083,490	13,849,799	98,485	2,605,949	1,496,973	39,297	3,802,563	-	58,884,769
Disposal / adjustments	-	-	397,250	1,100,000	-	-	532,033	31,500	-	2,043,147	-	1,208,966
<b>Balance at 31<sup>st</sup> Mar' 2017</b>	<b>340,985,703</b>	<b>256,979,219</b>	<b>1,460,159,900</b>	<b>108,838,040</b>	<b>83,729,978</b>	<b>14,030,142</b>	<b>20,268,459</b>	<b>12,034,304</b>	<b>3,231,272</b>	<b>14,374,707</b>	<b>2,104,193</b>	<b>491,877,669</b>
Addition	-	11,981,357	81,700,865	44,583,574	24,179,769	277,914	2,052,321	728,051	43,064	3,441,684	-	66,732,159
Disposal / adjustments	-	-	26,218,159	-	90,800	-	1,307,053	95,768	-	1,949,098	-	79,746,634
<b>Balance at 31<sup>st</sup> Mar' 2018</b>	<b>340,985,703</b>	<b>268,960,575</b>	<b>1,515,642,607</b>	<b>153,421,614</b>	<b>107,818,948</b>	<b>14,308,056</b>	<b>21,013,727</b>	<b>12,666,586</b>	<b>3,274,337</b>	<b>15,867,293</b>	<b>2,104,193</b>	<b>478,863,195</b>
<b>Accumulated depreciation as at 1<sup>st</sup> Apr' 2016</b>	<b>-</b>	<b>46,588,606</b>	<b>926,786,291</b>	<b>73,952,483</b>	<b>36,852,389</b>	<b>8,450,578</b>	<b>10,671,250</b>	<b>8,282,758</b>	<b>2,383,999</b>	<b>5,218,286</b>	<b>904,439</b>	<b>185,368,130</b>
Depreciation expenses	-	29,084,058	117,433,729	7,727,313	8,073,468	2,775,326	4,280,467	923,014	119,126	1,558,527	265,102	45,093,023
Disposal / adjustments	-	-	266,938	947,688	-	-	505,432	28,096	-	1,809,101	-	409,152
<b>Balance at 31<sup>st</sup> Mar' 2017</b>	<b>-</b>	<b>75,672,664</b>	<b>1,043,953,082</b>	<b>80,732,109</b>	<b>44,925,857</b>	<b>11,225,904</b>	<b>14,446,286</b>	<b>9,177,676</b>	<b>2,503,124</b>	<b>4,967,712</b>	<b>1,169,541</b>	<b>230,052,002</b>
Depreciation expenses	-	11,135,133	97,800,835	7,502,694	7,572,529	856,891	3,536,976	998,260	97,629	1,805,292	265,102	101,413,719
Disposal / adjustments	-	-	23,975,622	-	88,050	-	1,245,303	90,980	-	1,732,361	-	55,319,268
<b>Balance at 31<sup>st</sup> Mar' 2018</b>	<b>-</b>	<b>86,807,797</b>	<b>1,117,778,295</b>	<b>88,234,803</b>	<b>52,410,337</b>	<b>12,082,795</b>	<b>16,737,959</b>	<b>10,084,956</b>	<b>2,600,753</b>	<b>5,040,643</b>	<b>1,434,643</b>	<b>276,146,453</b>
<b>Carrying amount</b>												
Balance at 1 <sup>st</sup> Apr' 2016	340,985,703	188,221,370	455,764,848	21,902,067	33,027,790	5,481,079	7,523,294	2,286,073	807,977	7,397,005	1,199,754	248,833,736
Balance at 31 <sup>st</sup> Mar' 2017	340,985,703	181,306,554	416,206,818	28,105,931	38,804,121	2,804,238	5,822,173	2,856,628	728,148	9,406,996	934,652	261,825,667
Balance at 31 <sup>st</sup> Mar' 2018	340,985,703	182,152,778	397,864,312	65,186,811	55,408,611	2,225,260	4,275,768	2,581,631	673,584	10,826,650	669,550	202,716,742

## 3.1 Capital Work in Progress

Sr. No	Particulars	Capital Work in Progress			Cost As on 31.03.2018
		Cost As on 01.04.2017	Additions during the year	Deductions during the year	
1	Capital Work in Progress	-	1,54,78,740	-	1,54,78,740

# Notes

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## 4. Deferred tax Asset (net)

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	<b>Deferred tax assets</b>			
	Property, Plant and Equipment/Depreciation	<b>2,80,28,220</b>	1,14,13,039	-
	Expenses Disallowable under the Income Tax Act	<b>7,17,449</b>	26,60,121	-
	Other Comprehensive Income	<b>11,09,761</b>	6,38,948	-
		<b>2,98,55,430</b>	1,47,12,108	-
	Less - Deferred tax liabilities	-	-	-
	<b>Total</b>	<b>2,98,55,430</b>	<b>1,47,12,108</b>	-

## 5. Other Non-Current Assets (Unsecured and considered good, unless otherwise stated)

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a	Capital Advances	<b>21,53,68,985</b>	1,98,41,624	1,52,54,489
b	Security Deposits	<b>2,12,59,000</b>	2,35,19,657	2,36,62,665
c	Other Loans and advances			
i)	Advance income tax	-	54,286	4,60,009
ii)	Balances with government authorities	<b>37,35,832</b>	40,21,898	84,20,707
iv)	Others	<b>5,05,620</b>	6,38,213	2,09,05,386
	<b>Total</b>	<b>24,08,69,437</b>	<b>4,80,75,678</b>	<b>6,87,03,256</b>

## 6. Inventories

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1.	Raw Materials	<b>9,88,47,768</b>	8,85,66,529	13,83,62,753
2.	Finished Goods	<b>9,57,37,751</b>	-	-
3.	Work-In-Progress	<b>1,05,24,159</b>	2,72,97,645	2,58,34,776
4.	Stock of Traded Goods	<b>32,843</b>	32,843	6,72,714
5.	Stores, Spares & Consumables	<b>2,30,28,822</b>	1,78,04,662	2,13,64,483
6.	Fuel & Gas	<b>33,27,768</b>	29,95,735	21,70,002
	<b>Total</b>	<b>23,14,99,111</b>	<b>13,66,97,414</b>	<b>18,84,04,728</b>

# Notes

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## 6. Inventories (Contd.) Details of inventories

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	Raw Materials			
	Alluminium Ingots	<b>9,88,47,768</b>	8,85,66,529	13,83,62,753
2	Semi Finished Goods			
a	Wheels - Two Wheelers	<b>5,53,81,752</b>	-	-
b	Wheels - Four Wheelers	<b>4,03,56,000</b>	-	-
		<b>9,57,37,751</b>	-	-
3.	Work-In-Progress			
	Wheels - Two Wheelers	<b>40,48,768</b>	<b>41,66,178</b>	<b>1,15,809</b>
	Wheels - Four Wheelers	<b>64,75,390</b>	<b>2,31,31,467</b>	<b>2,57,18,967</b>
		<b>10,524,159</b>	<b>2,72,97,645</b>	<b>2,58,34,776</b>
4	Traded Goods			
a	Wheels - Two Wheelers	-	-	-
b	Wheels - Four Wheelers	-	-	-
c	Accessories	<b>32,843</b>	32,843	6,72,714
		<b>32,843</b>	<b>32,843</b>	<b>6,72,714</b>
5	Stores, Spares & Consumables	<b>2,30,28,822</b>	1,78,04,662	2,13,64,483
6	Fuel & Gases	<b>33,27,768</b>	29,95,735	21,70,002
	<b>Total</b>	<b>13,57,61,360</b>	<b>13,66,97,414</b>	<b>18,84,04,728</b>

## 7. Trade Receivables

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a)	Debts Outstanding for a period exceeding six months from the date they were due for payment			
	Unsecured, considered good*	<b>1,11,35,869</b>	54,51,510	4,54,413
	Unsecured, considered doubtful	-	26,66,633	26,66,633
		<b>1,11,35,869</b>	<b>81,18,143</b>	<b>31,21,046</b>
	Less: Provision for doubtful debts	-	26,66,633	26,66,633
		<b>1,11,35,869</b>	54,51,510	4,54,413
b)	Other Debts			
	Unsecured, considered good*	<b>65,17,71,845</b>	51,83,91,367	9,92,83,596
	Unsecured, considered doubtful	-	-	-
		<b>65,17,71,845</b>	<b>51,83,91,367</b>	<b>9,92,83,596</b>
	<b>Total Debts Due (a+b)</b>	<b>66,29,07,713</b>	<b>52,38,42,877</b>	<b>9,97,38,009</b>
		-	-	-
c)	Debts Not Due*	<b>2,00,50,377</b>	11,71,86,993	54,68,56,399
	<b>Total</b>	<b>68,29,58,090</b>	<b>64,10,29,870</b>	<b>64,65,94,408</b>

\*subject to party confirmations.

# Notes

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## 8. Cash & Cash Equivalents

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>a)</b>	<b>Cash &amp; Cash Equivalents</b>			
1	Balances with Banks			
	In current accounts	<b>4,83,85,042</b>	7,06,17,429	7,52,27,506
	In deposit accounts*	<b>4,82,17,809</b>	-	-
2	Cash On Hand	<b>1,52,622</b>	5,82,482	4,38,358
	<b>Total</b>	<b>9,67,55,473</b>	<b>7,11,99,911</b>	<b>7,56,65,864</b>

Note : \* with maturity less than 3 months, original and from the balance sheet date which includes interest For CY Rs. 217809 (PY Nil)

## 9. Bank Balance-Others

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	In deposit accounts	-	4,22,807	41,13,751
2	Deposit with Banks	<b>1,00,000</b>	1,00,000	1,00,000
	<b>Total</b>	<b>1,00,000</b>	<b>5,22,807</b>	<b>42,13,751</b>

## 10. Current Tax Assets (Net)

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	Advance Income Tax Paid	<b>11,15,27,220</b>	10,12,21,088	22,44,029
	<b>Total</b>	<b>11,15,27,220</b>	<b>10,12,21,088</b>	<b>22,44,029</b>

## 11. Other Current Assets

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>1</b>	<b>Secured, Considered Good :</b>	-	-	-
<b>2</b>	<b>Unsecured, Considered Good :</b>			
	<b>Others</b>			
	i) Advances to employees & others	<b>65,840</b>	3,20,792	4,17,047
	ii) Prepaid Expenses	<b>42,57,859</b>	50,27,656	61,06,906
	iii) Balances with government authorities	<b>4,48,49,981</b>	4,50,55,125	7,24,62,402
	iv) Advance paid to the Gratuity Fund*		-	32,82,886
	v) Advance to Suppliers	-	36,16,543	-
	<b>Total</b>	<b>4,91,73,680</b>	<b>5,40,20,116</b>	<b>8,22,69,241</b>

\* As the balances are shown net of provisions

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## 12. Share capital

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
<b>1</b>	<b>Authorised :</b>						
(i)	Equity shares of ₹ 5/- each with voting rights	5,20,00,000	26,00,00,000	5,20,00,000	26,00,00,000	5,20,00,000	26,00,00,000
(ii)	Compulsorily Convertible Preference shares of ₹ 10/- each	1,40,00,000	14,00,00,000	1,40,00,000	14,00,00,000	1,40,00,000	14,00,00,000
		<b>6,60,00,000</b>	<b>40,00,00,000</b>	<b>6,60,00,000</b>	<b>40,00,00,000</b>	<b>6,60,00,000</b>	<b>40,00,00,000</b>
<b>2</b>	<b>Issued, Subscribed &amp; Paid Up</b>						
	Equity shares of ₹ 5/- each with voting rights	1,54,11,695	7,70,58,475	1,48,76,695	7,43,83,475	1,41,32,860	7,06,64,300
	<b>Total</b>	<b>1,54,11,695</b>	<b>7,70,58,475</b>	<b>1,48,76,695</b>	<b>7,43,83,475</b>	<b>1,41,32,860</b>	<b>7,06,64,300</b>

### a) Reconciliation of share capital

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
(i)	Shares outstanding at the beginning of the year	1,48,76,695	7,43,83,475	1,41,32,860	7,06,64,300	1,34,26,360	6,71,31,800
(ii)	Add/(Less) : Shares issued during the year	5,35,000	26,75,000	7,43,835	37,19,175	7,06,500	35,32,500
		<b>1,54,11,695</b>	<b>7,70,58,475</b>	<b>1,48,76,695</b>	<b>7,43,83,475</b>	<b>1,41,32,860</b>	<b>7,06,64,300</b>
(iii)	Shares outstanding at the end of the year	1,54,11,695	7,70,58,475	1,48,76,695	7,43,83,475	1,41,32,860	7,06,64,300

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

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
		No. of Equity shares with voting rights	No. of Equity shares with voting rights	No. of Equity shares with voting rights
	<b>Lock-in of shares held by Promoters</b>			
	Enkei Corporation, Japan	<b>1,09,11,695</b>	1,03,76,695	96,32,860

### c) Rights of the Equity Share holders

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



# Notes

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## 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 March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Number of shares held	Percentage (%) held	Number of shares held	Percentage (%) held	Number of shares held	Percentage (%) held
(i)	<b>Equity shares with voting rights</b>						
a	Enkei Corporation, Japan	<b>1,09,11,695</b>	<b>70.80</b>	1,03,76,695	69.75	96,32,860	68.16

## e) Details of Allotment of Shares for consideration other than cash, allotments of Bonus Shares and Shares bought back

(Amt. in ₹)

Sr. No.	Particulars	Financial Year (Aggregate Number of Shares)				
		2016-17	2015-16	2014-15	2013-14	2012-13
(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*	-	-	-	-	5,21,860
c	Shares bought back	-	-	-	-	-

\* allotted on conversion of Compulsorily Convertible Preference Shares, earlier issued on preferential basis to the promoters of the Company.

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

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Number of shares held	Amount	Number of shares held	Amount	Number of shares held	Amount
(i)	<b>Equity shares with voting rights</b>						
a	Enkei Corporation, Japan	<b>1,09,11,695</b>	<b>5,45,58,475</b>	1,03,76,695	5,18,83,475	96,32,860	4,81,64,300

## 12.1 Other equity

(Amt. in ₹)

Sr. No.	Particulars	As at	As at	As at
		March 31, 2018	March 31, 2017	April 1, 2016
<b>1</b>	<b>Securities premium account</b>			
	As per last Balance sheet	<b>45,58,61,483</b>	31,82,52,008	18,89,62,508
	Add: Addition during the year	<b>22,73,75,000</b>	13,76,09,475	12,92,89,500
		<b>68,32,36,483</b>	<b>45,58,61,483</b>	<b>31,82,52,008</b>
	<b>General Reserve</b>			
	As per last Balancesheet	<b>13,47,74,993</b>	13,47,74,993	-
	Add /(Less): Retained Earnings Addition during the year	-	-	13,47,74,993
		-	-	-
		<b>13,47,74,993</b>	<b>13,47,74,993</b>	<b>13,47,74,993</b>
<b>2</b>	<b>Surplus / (Deficit) in Statement of Profit and Loss</b>			
	As per last Balance sheet	<b>(10,15,68,334)</b>	(12,76,82,697)	(7,29,68,683)
	Less: Adjustments	-	-	-
	Add: Profit / (Loss) for the year	<b>10,69,09,367</b>	2,61,14,363	(5,47,14,014)
		<b>53,41,033</b>	<b>(10,15,68,334)</b>	<b>(12,76,82,697)</b>
	<b>Total</b>	<b>82,33,52,509</b>	<b>48,90,68,142</b>	<b>32,53,44,304</b>

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(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	<b>Less:</b>			
	<b>Foreign Currency Monetary Item Translation Difference</b>			
	As per last Balance sheet	<b>13,03,27,065</b>	23,79,58,954	15,84,79,326
	Add: Adjustment/Accumulation during the year	<b>1,10,31,488</b>	(6,41,89,534)	12,97,50,533
		<b>14,13,58,553</b>	<b>17,37,69,420</b>	<b>28,82,29,859</b>
	Less: Amortisation during the year	<b>4,71,19,518</b>	4,34,42,355	5,02,70,906
		<b>9,42,39,035</b>	<b>13,03,27,065</b>	<b>23,79,58,954</b>
		<b>72,91,13,474</b>	<b>35,87,41,077</b>	<b>8,73,85,350</b>

## 13. Long-term borrowings

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>1</b>	<b>Unsecured</b>			
(A)	Foreign Currency Loans (ECBs)	<b>52,18,59,200</b>	61,43,76,000	62,60,36,000
	<b>Total</b>	<b>52,18,59,200</b>	<b>61,43,76,000</b>	<b>62,60,36,000</b>

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

## 13. Long-term borrowings (Contd.)

**Details of terms of repayment of long-term borrowings, applicable rate of interest, security wherever provided etc.**

(Amt. in ₹)						
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016		
<b>1</b>	<b>Unsecured</b>					
	<b>Foreign Currency Loans from Banks</b>					
	<b>External Commercial Borrowings</b>					
	<b>Lender - THE BANK OF TOKYO-MITSUBISHI UFJ LTD, Japan</b>	<b>65,23,24,000</b>	<b>61,43,76,000</b>	<b>62,60,36,000</b>		
	Bank	ECB Amt (In JPY)	Rate of Interest (%)	ECB Repayment	No. of Installment	Repayment Date
	Bank of Tokyo Mitsubhshi UFJ Ltd.	1060	1.515	106	10	Half Yearly Equal installments starting from 30th Sept 2018
	<b>Sub-Total</b>	<b>65,23,24,000</b>	61,43,76,000	62,60,36,000		
	Less: Current maturities of long-term debt (Refer Note No. 11)	<b>13,04,64,800</b>	-	-		
	<b>Total</b>	<b>52,18,59,200</b>	<b>61,43,76,000</b>	<b>62,60,36,000</b>		
	<b>Total Long -term Borrowings</b>	<b>52,18,59,200</b>	<b>61,43,76,000</b>	<b>62,60,36,000</b>		

## 14. Trade Payable

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a	Trade Payables	<b>45,95,97,160</b>	57,43,12,973	65,66,28,756
b	Others - Property, Plant and Equipment	<b>13,43,08,745</b>	13,05,58,616	13,07,18,745
	<b>Total</b>	<b>59,39,05,905</b>	<b>70,48,71,589</b>	<b>78,73,47,501</b>

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## 15. Long-term provisions

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	<b>Provision for employee benefits:</b>			
1	Defined benefit obligation - Leave Encashment*	-	75,10,476	46,87,980
2	Defined benefit obligation - Sick Leave	<b>43,73,871</b>	26,78,429	16,89,990
	<b>Total</b>	<b>43,73,871</b>	<b>1,01,88,905</b>	<b>63,77,970</b>

\* Net of Plan Assets

## 16. Short-term borrowings

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>1</b>	<b>Unsecured</b>			
	<b>Working Capital Demand Loans</b>			
	- From Banks	<b>8,00,00,000</b>	8,00,00,000	16,00,00,000
	<b>Total</b>	<b>8,00,00,000</b>	<b>8,00,00,000</b>	<b>16,00,00,000</b>

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

## Details of applicable rate of interest, security wherever provided etc.

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>1</b>	<b>Unsecured</b>			
(a)	<b>Working Capital Demand Loans from Banks</b>			
	(1) Bank of Tokyo Mitsubishi UFJ Ltd.	-	5,00,00,000	-
	<b>Repayment</b>			
	From time to time, nevertheless payable on demand. (rollover arrangements are entered with the bank with the same terms)			
	(2) Mizuho Bank Ltd.	<b>8,00,00,000</b>	3,00,00,000	16,00,00,000
	<b>Repayment</b>			
	From time to time, nevertheless payable on demand. (rollover arrangements are entered with the bank with the same terms)			

## 17. Trades payables

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	Micro, Small & Medium Enterprises	-	-	-
2	<b>Others</b>			
	Raw materials & Components	<b>26,98,45,581</b>	24,20,68,141	48,36,17,868
	Services & Expenses	<b>6,03,19,269</b>	5,27,58,262	3,27,10,625
3	<b>Payable to Overseas Group Companies</b>			
	Raw materials & Components	<b>5,49,87,622</b>	3,23,26,246	5,06,32,768
	Services & Expenses	-	4,50,03,438	
	<b>Total</b>	<b>38,51,52,472</b>	<b>37,21,56,087</b>	<b>56,69,61,261</b>

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## 18. Other current liabilities

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1	Current maturities of long-term debt	13,04,64,800	-	-
3	Payables on purchase of Property, Plant and Equipment	2,22,886	1,92,65,190	1,71,62,729
4	Statutory remittances	7,61,26,833	1,09,36,153	85,52,188
5	Employee dues	2,09,41,526	88,29,926	79,38,401
6	Others	3,57,665	6,88,589	14,11,576
	<b>Total</b>	<b>22,81,13,710</b>	<b>3,97,19,858</b>	<b>3,50,64,894</b>

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

## 19. Short-term provisions

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1	Provision for employee benefits			
a	Defined benefit obligation (gratuity) - (Net of plan assets)	5,17,393	1,50,857	-
b	Defined benefit obligation-Leave encashment	8,43,020	13,11,236	8,69,479
	<b>Total</b>	<b>13,60,413</b>	<b>14,62,093</b>	<b>8,69,479</b>

## 20. Current Tax Liabilities (Net)

(Amt. in ₹)				
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
1	Provision for Income Tax (Current Year)	10,28,47,060	10,13,67,539	90,11,405
	<b>Total</b>	<b>10,28,47,060</b>	<b>10,13,67,539</b>	<b>90,11,405</b>

## 21. Revenue from operations

(Amt. in ₹)			
Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Sale of Products	4,72,04,67,819	4,53,60,53,915
3	Other operating revenues	6,47,67,627	5,27,79,144
	<b>Total</b>	<b>4,78,52,35,446</b>	<b>4,58,88,33,059</b>

Note: Revenue from operations for the current financial year ended March 31, 2018 is gross up of Excise Duty of Rs.13,75,42,810/- for three months ended June 30, 2017. (However, for the financial year ended March 31, 2017, it is gross of Excise Duty of Rs.52,16,58,906/-, for the full financial year).

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## 21.1 Particulars of Sale of Products

(Amt. in ₹)

Sr. No.	Particulars	As at	
		March 31, 2018	March 31, 2017
<b>a</b>	<b>Manufactured goods</b>		
i	Wheels - Two Wheelers	1,73,28,06,429	1,46,25,82,942
ii	Wheels - Four Wheelers	2,84,83,38,498	2,55,48,44,178
	<b>Total - Sale of manufactured goods</b>	<b>4,58,11,44,927</b>	<b>4,01,74,27,120</b>
<b>b</b>	<b>Traded goods</b>		
i	Wheels - Four Wheelers	-	12,220
ii	Accessories	33,94,339	28,07,688
	<b>Total - Sale of traded goods</b>	<b>33,94,339</b>	<b>28,19,908</b>
	<b>Total - Sale of products</b>	<b>4,58,45,39,266</b>	<b>4,02,02,47,028</b>

## 22. Other Income

(Amt. in ₹)

Sr. No.	Particulars	As at	
		March 31, 2018	March 31, 2017
1	Interest on Term Deposits with Banks	64,90,838	10,08,695
2	Profit on sale of Property, Plant and Equipment	7,96,655	4,10,064
3	Miscellaneous Income	8,585	5,37,867
4	Others	-	-
	<b>Total</b>	<b>72,96,078</b>	<b>19,56,626</b>

## 23. Cost of Materials Consumed

(Amt. in ₹)

Sr. No.	Particulars	As at	
		March 31, 2018	March 31, 2017
1	Opening Stock	8,85,66,530	13,83,62,753
	Add: Purchases	2,66,02,50,642	2,17,03,06,775
		<b>2,74,88,17,172</b>	2,30,86,69,528
	Less: Closing Stock	9,88,47,768	8,85,66,530
	<b>Cost of materials consumed*</b>	<b>2,64,99,69,404</b>	<b>2,22,01,02,998</b>

### 23.1 Detail of Purchase of Raw Material imported and indigenous items

(Amt. in ₹)

Sr. No.	Particulars	As at		As at	
		March 31, 2018		March 31, 2017	
		%	Value	%	Value
	<b>Raw Materials</b>				
	Imported	83.2	2,21,38,94,868	92.0	1,996,567,890
	Indigenous	16.8	44,63,55,774	8.0	17,37,38,884
	<b>Total</b>	<b>100.0</b>	<b>2,66,02,50,642</b>	<b>100.0</b>	<b>2,17,03,06,774</b>

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## 24. Purchases of Stock-in-Trade

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Traded Goods	30,81,729	21,29,516
	<b>Total</b>	<b>30,81,729</b>	<b>21,29,516</b>

### 24.1 Details of purchase of stock-in-trade imported and indigenous items

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017	
		%	Value	%	Value
	<b>Traded Goods</b>				
	Imported Accessories	-	-	-	-
	Imported Wheels	0.0	-	0.0	-
	<b>Indigenous Accessories</b>	100.0	30,81,729	100	21,29,516
	<b>Total</b>	100.0	30,81,729	100.0	21,29,516

## 25. Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished goods

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
<b>1</b>	<b>Inventories (at close)</b>		
a	Finished Goods	8,05,86,738	-
b	Work in Progress	2,57,95,630	2,72,97,645
c	Traded goods	32,845	32,845
		<b>10,64,15,213</b>	<b>2,73,30,490</b>
<b>2</b>	<b>Inventories (at commencement)</b>		
a	Finished Goods	-	-
b	Work in Progress	2,72,97,645	2,58,34,775
c	Traded goods	32,845	6,72,715
		<b>2,73,30,490</b>	<b>2,65,07,490</b>
	<b>Total</b>	<b>(7,90,84,723)</b>	<b>(8,23,000)</b>

## 26. Employee Benefits Expenses

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Salaries, Wages, Allowances and Bonus	26,87,37,156	23,04,18,256
2	Contribution to Provident, Gratuity and other Funds	1,32,79,374	1,22,15,186
3	Leave Encashment	12,80,177	6,73,849
4	Leave Salary	71,16,246	52,52,162
5	Welfare Expenses	3,98,39,299	3,91,98,547
	<b>Total</b>	<b>33,02,52,252</b>	<b>28,77,58,000</b>



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## 27. Finance Cost

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Interest on Rupee Loans	-	-
2	Interest on Foreign Currency Loans (ECB)	99,62,655	1,04,48,703
3	Interest on Working Capital Demand Loan	1,28,21,698	96,38,038
4	Interest on delayed Payment of Statutory Dues	2,67,474	3,89,710
5	Others	2,44,70,454	2,65,87,472
	<b>Total</b>	<b>4,75,22,281</b>	<b>4,70,63,923</b>

## 28. Depreciation & amortisation expense

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Depreciation on Property, Plant and Equipment	23,29,85,060	21,73,33,153
2	Amortisation on intangible assets	-	-
	<b>Total</b>	<b>23,29,85,060</b>	<b>21,73,33,153</b>

## 29. Other Expenses

### 29.1 Consumption - Stores & Spares

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
1	Opening Stock	1,78,04,662	2,13,64,483
	Add: Purchases	41,05,25,980	34,38,14,076
		<b>42,83,30,642</b>	<b>36,51,78,559</b>
	Less: Closing Stock	2,30,28,822	17,804,662
	<b>Cost of materials consumed*</b>	<b>40,53,01,819</b>	<b>34,73,73,898</b>

### 29.1.1 Consumption - Stores & Spares

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018		As at March 31, 2017	
		%	Value	%	Value
	<b>Consumption- Stores and Spares</b>				
	Imported	7.6	3,08,11,694	5.7	1,98,16,438
	Indigenous	92.4	37,44,90,125	94.3	32,75,57,460
		<b>100.0</b>	<b>40,53,01,819</b>	<b>100.0</b>	<b>34,73,73,898</b>

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## 29.2 Other Expenses

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
<b>1</b>	<b>Manufacturing Expenses</b>		
a	Power and Fuel	<b>32,84,91,718</b>	30,71,24,462
b	Processing Charges- Remelting	<b>8,60,45,383</b>	8,57,24,366
c	Contract Labors	<b>8,05,03,878</b>	8,97,96,594
d	Royalty	<b>5,90,24,708</b>	5,17,15,926
e	Other Manufacturing Expenses	<b>8,13,28,578</b>	8,27,61,595
		<b>63,53,94,265</b>	<b>61,71,22,943</b>
<b>2</b>	<b>Foreign Exchange Fluctuation Loss/(Gain)</b> (including unrealised loss of ₹ 47,288,066/- PY ₹ 41,090,206/-)	<b>4,65,13,092</b>	<b>5,08,24,959</b>
<b>3</b>	<b>Administrative Expenses</b>		
a	Legal and Professional Fees	<b>1,26,58,007</b>	1,36,77,106
b	Other Administrative expenses	<b>9,72,11,522</b>	7,03,23,752
		<b>10,98,69,529</b>	<b>8,40,00,858</b>
<b>4</b>	<b>Selling &amp; Distribution Expenses</b>		
a	Freight Outward	<b>11,52,66,009</b>	10,25,82,809
b	Other selling & distribution expenses	<b>1,42,92,534</b>	1,94,46,303
		<b>12,95,58,543</b>	<b>12,20,29,112</b>
	<b>Total</b>	<b>92,13,35,429</b>	<b>87,39,77,872</b>

## 30 Exceptional Items

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
<b>a</b>	<b>Prior period income</b>		
i	Old liabilities (net) written back (including overseas)*	4,96,62,452	-
	<b>Total</b>	<b>4,96,62,452</b>	<b>-</b>

\* Old liabilities to overseas group company / related party no longer payable, written back.

## 31. Current Tax

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
a	Current Tax - Current Year	<b>10,28,47,060</b>	6,22,82,600
b	Current Tax - Prior Period	<b>(26,85,607)</b>	3,04,90,023
	<b>Total</b>	<b>10,01,61,453</b>	<b>9,27,72,623</b>

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## 32. Deferred Tax

(Amt. in ₹)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017
a	Deferred Tax - Current Year	(1,46,72,509)	(4,58,79,863)
	<b>Total</b>	<b>(1,46,72,509)</b>	<b>(4,58,79,863)</b>

## 33. Additional information to the financial statements

### a. Share Capital

During the year, the Company has allotted 5,35,000 equity shares issued on preferential basis to its promoter & holding Company ENKEI CORPORATION, Japan after receiving the requisite approvals from the regulatory authorities.

### b. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Amt. in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

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

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

Amount of loan and advances in nature of loans outstanding from subsidiaries as at March 31, 2018:

(Amt. in ₹)

Name of the subsidiary	Relationship	Amount outstanding as at March 31, 2018	Amount outstanding as at March 31, 2017
-	-	-	-

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

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

(Amt. in ₹)

	<b>As at March 31, 2018</b>	As at March 31, 2017
	<b>In Foreign Currency</b>	In Foreign Currency
Forward Contracts against Imports		
- In US Dollars ..... Number of contracts.....(6)	<b>17,98,209</b>	27,57,505
- In Japanese Yen Nil Number of contracts....(Nil)	-	-
	<b>17,98,209</b>	<b>27,57,505</b>
	<b>In Indian Rupees</b>	<b>In Indian Rupees</b>
- Equivalent Indian Rupees	<b>11,66,77,152</b>	<b>18,34,75,774</b>

## e. Details of the year-end foreign currency exposures that have not been hedged

(Amt. in ₹)

<b>Particulars with balances as per books of account</b>	<b>As at March 31, 2018</b>	As at March 31, 2017
External Commercial Borrowings	<b>65,23,24,000</b>	61,43,76,000
Purchase of Property, Plant and Equipment	<b>13,43,08,745</b>	13,05,58,616
Trade Payables	<b>65,42,06,940</b>	74,13,47,762
<b>Foreign Currency Assets:</b>		
Capital Advances	<b>30,38,531</b>	78,98,951
Other Advances		1,73,250
	<b>1,44,38,78,216</b>	<b>1,48,62,82,378</b>

## f. Value of imports calculated on CIF basis @:

(Amt. in ₹)

	<b>As at March 31, 2018</b>	As at March 31, 2017
Raw materials	<b>2,21,38,94,868</b>	1,99,65,67,890
Spare parts	<b>3,08,11,694</b>	1,98,16,438
Capital goods	<b>11,15,91,666</b>	10,99,64,279
	<b>2,35,62,98,228</b>	<b>2,12,63,48,607</b>

@ the total value of imports relates to the imports made excluding the relevant taxes:

# Notes

forming part of the financial statements

## g. Expenditure in foreign currency #:

(Amt. in ₹)

	As at March 31, 2018	As at March 31, 2017
Testing Expenses	86,01,292	97,55,237
Foreign Travel	48,518	6,84,259
Computer Hire Charges	6,58,028	6,45,627
Legal, Professional and consultation fees	47,80,654	59,59,282
Interest on Foreign Currency Loans	99,62,655	1,04,48,703
	<b>2,40,51,147</b>	<b>2,74,93,109</b>

# on accrual basis on the gross amount of expenditure (i.e. the expenditure before withholding taxes)

## h. Earnings in foreign exchange:

(Amt. in ₹)

	As at March 31, 2018	As at March 31, 2017
Export of goods calculated on FOB basis	30,44,404	15,67,950
	<b>30,44,404</b>	<b>15,67,950</b>

## i. Remittance in foreign currency during the year on account of dividends

(Amt. in ₹)

	As at March 31, 2018	As at March 31, 2017
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		

## j. Auditors Remuneration

(Amt. in ₹)

	As at March 31, 2018	As at March 31, 2017
Audit Fees	13,50,000	13,00,000
Certification Fees	-	20,000
Limited Reviews	1,50,000	1,50,000
Out of Pocket Expenses	1,89,549	90,331
	<b>16,89,549</b>	<b>15,60,331</b>

# Notes

forming part of the financial statements

## k. Contingent liabilities and commitments (to the extent not provided for)

(Amt. in ₹)

	As at March 31, 2018	As at March 31, 2017
<b>(i) Contingent liabilities</b>		
(a) Claims against the Company /disputed liabilities not acknowledged as debts*	<b>5,49,28,525</b>	5,49,28,525
(b) Guarantees and Letters of Credits issued by the banks	<b>10,00,000</b>	10,00,000
(c) Other money for which the company is contingently liable		
Differential Tax Liability - C Forms not received	<b>14,17,44,166</b>	45,90,12,456
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible Assets	<b>86,193,710</b>	7,53,34,080
(b) Other Commitments	-	-

## l. Earning per Share as computed in accordance with Accounting Standard 20

(Amt. in ₹)

	As at March 31, 2018	As at March 31, 2017
Net profit / (loss) for the year	<b>10,77,98,971</b>	2,73,21,659
(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	<b>10,77,98,971</b>	2,73,21,659
Weighted average number of equity shares for calculation of Basic EPS	<b>1,51,69,846</b>	1,42,85,285
Weighted average number of equity shares for calculation of Diluted EPS	<b>1,51,69,846</b>	1,42,85,285
Face value per share	<b>₹ 5/- per share</b>	₹ 5/- per share
Earnings per share - Basic	<b>7.11</b>	1.91
Earnings per share - Diluted	<b>7.11</b>	1.91

## 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 ₹ 10,243,641/- (Year ended March 31, 2017 ₹ 9,732,174/-) 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.



# Notes

forming part of the financial statements

## 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:

(Amt. in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Gratuity	Leave Entitlements	Gratuity	Leave Entitlements
<b>Components of employer expense</b>				
Current service cost	27,14,979	35,12,413	23,16,879	24,24,065
Interest on obligation	14,48,146	4,88,409	12,22,960	4,04,852
Expected return on plan assets	(15,37,437)	91,535	(14,52,340)	-
Amounts recognised in other Comprehensive Income	13,60,417	-	18,46,244	-
Past service cost	-	-	-	-
Actuarial losses/(gains) on Obligation	-	9,50,817	-	12,79,832
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>39,86,105</b>	<b>50,43,174</b>	<b>39,33,743</b>	<b>41,08,749</b>
<b>Net asset / (liability) recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	240,63,790	1,27,87,182	1,99,74,036	83,56,322
Fair value of plan assets	2,34,26,828	1,29,06,751	1,98,23,179	-
Funded status [Surplus / (Deficit)]	(6,36,962)	1,19,569	(1,50,857)	(83,56,322)
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(6,36,962)</b>	<b>1,19,569</b>	<b>(1,50,857)</b>	<b>(83,56,322)</b>
<b>Change in defined benefit obligations (DBO) during the year</b>				
Present value of DBO at beginning of the year	1,99,74,036	83,56,322	15,350,663	52,47,043
Current service cost	27,14,979	35,12,413	23,16,879	24,24,065
Interest cost	14,48,146	5,87,072	12,22,960	4,04,852
Actuarial (gains) / losses	11,58,291	9,50,817	16,82,883	12,79,832
Benefits paid	(12,31,662)	(6,19,442)	(5,99,349)	(9,99,470)
<b>Present value of DBO at the end of the year</b>	<b>2,40,63,790</b>	<b>1,27,87,182</b>	<b>1,99,74,036</b>	<b>83,56,322</b>
<b>Change in fair value of assets during the year</b>				
Fair value of plan assets at beginning of year	1,98,23,179	-	1,86,33,549	-
Expenses deducted from the fund	-	-	-	-
Expected return on plan assets	15,37,437	7,128	14,52,340	-

# Notes

forming part of the financial statements

(Amt. in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Gratuity	Leave Entitlements	Gratuity	Leave Entitlements
Actuarial gain / (loss)	(2,02,126)	-	(1,63,361)	-
Assets distributed on settlements	-	-	-	-
Contribution by the employer	35,00,000	1,28,99,623	5,00,000	-
Benefits paid	(12,31,662)	-	(5,99,349)	-
Plan assets at the end of the year	2,34,26,828	1,29,06,751	1,98,23,179	-
<b>Actual return on plan assets</b>	<b>13,35,311</b>	<b>-</b>	<b>12,88,979</b>	<b>-</b>
<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%	100%	100%	0%
Bank Balance	0%	0%	0%	0%
<b>Actuarial assumptions</b>				
Discount rate	7.60%	7.60%	7.40%	7.40%
Expected return on plan assets	7.60%	7.60%	7.40%	NA
Salary escalation	6.00%	6.00%	6.00%	6.00%
Proportion of employees opting for early retirement	-	-	-	-

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

## n. Related party transactions

### 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 Aluminium Product (China) Co. Ltd., China
Associates	Enkei Wheel Corporation, Japan
Associates	Enkei Asia Pacific Company Limited, Thailand
Associates	Enkei Moldings(Kunshan) Co. Ltd., China

# Notes

forming part of the financial statements

Key Managerial Personnel (KMP)	Kazuhiko Shimamura, Managing Director
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Note: Related parties have been identified by the Company's Management.

## Details of related party transactions during the year ended March 31, 2018:

(Amt. in ₹)

Particulars		Associates	Holding & Promoter Company	Key Managerial Personnel (KMP)	Total
Purchase of Traded goods	CY	-	-	-	-
	PY	-	-	-	-
Export Sale	CY	-	30,44,404	-	30,44,404
	PY	-	15,67,950	-	15,67,950
Purchase of Stores & Spares	CY	6,27,869	1,64,17,953	-	1,70,45,822
	PY	21,76,314	1,15,26,774	-	1,37,03,088
Reimbursement of expenses (net)	CY	6,61,284	-	-	6,61,284
	PY	6,45,627	-	-	6,45,627
Royalties Paid/Payable	CY	-	5,90,24,708	-	5,90,24,708
	PY	-	5,17,16,722	-	5,17,16,722
Remuneration	CY	-	-	25,58,759	25,58,759
	PY	-	-	27,62,739	27,62,739
Other Expenses Charged to Company	CY	35,83,753	1,34,54,536	-	1,70,38,289
	PY	48,38,451	1,04,11,793	-	1,52,50,244
Write-back of Liabilities (old)	CY	4,96,64,991	-	-	4,96,64,991
	PY	-	-	-	-
Purchase of Property, Plant and Equipment	CY	5,99,26,603	5,16,65,063	-	11,15,91,666
	PY	5,58,40,232	5,41,24,047	-	10,99,64,279
Sale of Property, Plant and Equipment	CY	-	-	-	-
	PY	-	-	-	-
<b>Net Transaction during the year</b>	CY	<b>11,44,64,500</b>	<b>14,36,06,665</b>	25,58,759	<b>26,06,29,923</b>
	PY	<b>6,35,00,624</b>	<b>12,93,47,286</b>	<b>27,62,739</b>	<b>19,56,10,649</b>
<b>Balances with related parties</b>					

# Notes

forming part of the financial statements

(Amt. in ₹)

Particulars		Associates	Holding & Promoter Company	Key Managerial Personnel (KMP)	Total
	PY	-	-	-	-
Amount Payable	CY	68,80,15,553	6,18,11,638	-	74,98,27,191
	PY	82,02,52,630	8,00,76,400	-	90,03,29,030

Note: Figures in CY relates to the year 2017-18 and PY relates to the year 2016-17

**o. Disclosure in respect of Leases pursuant to Accounting Standard (AS-19) "Leases".**  
**i) where the Company is a lessee :**

**Operating Leases**

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

(Amt. in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than one year	1,60,08,720	1,40,79,737
Later than one year but not later than five years	-	-
Later than five years	-	-

**Other Notes**

- a.** The Company has single operating segment, that of automotive wheels. Accordingly, disclosure & requirements as per Indian Accounting Standard (Ind As) 108 - 'Operating segment' are not applicable to the company.
- p** Reconciliation of total liabilities, total assets, total comprehensive income and cash flows as reported as per Ind AS, in this statement with as reported in previous years as per previous Indian GAAP

**Reconciliation of Deferred tax assets (net) as 31st March 2017 & 1st April 2016**

	31st March 2017	01st April 2016
<b>Total Deferred tax assets (Net) as per previous GAAP</b>	<b>14,073,160</b>	-
<b>Adjustments</b>		
Other Comprehensive Income	638,948	-
<b>Total Adjustments</b>	<b>638,948</b>	-
<b>Total Deferred tax assets (Net) as per Ind AS</b>	<b>14,712,108</b>	-

**Reconciliation of total Equity as at 31st March 2017 & 1st April 2016**

	31st March 2017	01st April 2016
<b>Total total Equity (shareholders fund) as per previous GAAP</b>	<b>314,357,060</b>	<b>23,274,657</b>
<b>Adjustments</b>		
Retained Earning as per Ind AS 109	134,774,993	134,774,993
Finance cost on long term group liabilities Ind AS 109	- 16,646,449	
Other Comprehensive Income	638,948	-
<b>Total Adjustments</b>	<b>118,767,492</b>	<b>134,774,993</b>
<b>Total total Equity (shareholders fund) as per Ind AS</b>	<b>433,124,552</b>	<b>158,049,650</b>

**Reconciliation of Trade Payables as at 31st March 2017 & 1st April 2016**

	31st March 2017	01st April 2016
<b>Total Trade Payables as per previous GAAP</b>	<b>823,000,140</b>	<b>922,122,494</b>
<b>Adjustments</b>		
Finance cost on long term group liabilities Ind AS 109	16,646,442	
Retained Earning as per Ind AS 109	- 134,774,993	- 134,774,993
<b>Total Adjustments</b>	<b>- 118,128,551</b>	<b>- 134,774,993</b>
<b>Total Trade Payables as per Ind AS</b>	<b>704,871,589</b>	<b>787,347,501</b>

**Reconciliation of total comprehensive income for the year ended 31st March 2017**

	31st March 2017
<b>Profit after tax as per previous GAAP</b>	<b>42,121,864</b>
<b>Adjustments</b>	
Actuarial loss on employee defined benefit plan recognized in other comprehensive income	- 1,846,244
Change on account of fair valuation of long term group liabilities - amortized interest expenses	- 16,646,449
Actuarial loss on employee defined benefit plan recognized in other comprehensive income	1,846,244
Deferred Tax	638,948
<b>Total Adjustments</b>	<b>- 16,007,501</b>
<b>Total Trade Payables as per Ind AS</b>	<b>26,114,363</b>

q. 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.

r. Figures of the previous year have been regrouped, reclassified & restated wherever necessary to correspond with the current year classification /disclosure.

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

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

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

**Kazuhiko Shimamura**  
Managing Director  
DIN : 05129816

**Haresh Shah**  
Director  
DIN : 00228471

**Jitendra Parmar**  
Chief Financial Officer

**Omkar Kaulgud**  
Company Secretary

Place: Pune  
Date: May 25, 2018

Place: Pune  
Date: May 25, 2018





**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 'NINTH ANNUAL GENERAL MEETING' of the Company to be held on Thursday, 2<sup>nd</sup> August 2018 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**

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

**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: ..... or failing him;

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 9<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, 2<sup>nd</sup> August 2018 and at any adjournment thereof, in respect of following resolutions.

**ORDINARY BUSINESS**

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2018 and the Reports of the Board of Directors and Auditors thereon.
- 2. To appoint a director in place of Mr. Junichi Suzuki (DIN: 02628162), who retires by rotation, and being eligible, seeks reappointment.

Signed this ..... day of ..... 2018

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 9<sup>th</sup> 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 Ninth Annual General Meeting (AGM) of the Company to be held on Thursday, 2<sup>nd</sup> August 2018 by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below :

Item No.	Description of Resolution	No. of ordinary Shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 <sup>st</sup> March 2017 and the Reports of the Board of Directors and Auditors thereon.			
2.	To appoint a director in place of Mr. Junichi Suzuki (DIN: 02628162), who retires by rotation, and being eligible, seeks reappointment.			

Date :  
Place :

\_\_\_\_\_  
Signature of Shareholder

Note : Please read the instructions printed overleaf before filling the form, valid Ballot form received by the scrutinizer by IST 5.00 p.m. on 1<sup>st</sup> August, 2018 shall only be considered.





**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)