

Prepare for
THE NEXT

ENKEI WHEELS (INDIA) LIMITED

AN IATF 16949:2016, ISO 14001:2015, ISO 45001:2018

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www.enkei.in

Forward-looking Statements

In this Annual Report, we have disclosed forward-looking information. 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.



Prepare for **THE NEXT**

Operating in a highly evolving and competitive automotive component environment, Enkei Wheels strives to continually adapt, innovate and thrive amidst challenges, with an eagle eye focus on delivering high quality wheels and driving sustainable growth.

With robust fundamentals, strategic investments in product development, state-of-the-art manufacturing facilities, advanced technology and a highly skilled workforce, we remain committed to innovation, operational excellence and customer centricity, building long-term relationships and delivering lasting value to our stakeholders.

Committed to sustainability, we maintain our focus on energy, resource and water conservation measures while continuously driving operational and cost efficiencies and providing a safe and engaging work haven for our employees.

We **PREPARE FOR THE NEXT** level of growth with renewed vigour and confidence, leveraging our strengths and support of partners and capitalising on India's resilient economic recovery and burgeoning domestic consumption.

With our strategic foresight, we will focus on strengthening our local supply chains, boosting in-house R&D investment and optimising our expanded manufacturing capabilities to efficiently handle the increasing demand and steadily accumulate profits while also contributing to the nation's growth and prosperity.

ENKEI AT A GLANCE

Enkei Wheels (India) Limited (EWIL), established in 2009, is one of the leading Indian manufacturers of aluminium alloy wheels for two-wheelers and four-wheelers. As part of the esteemed Enkei Group, the Japanese multinational conglomerate, innovation and customer centricity are imbibed in our commitment to delivering superior quality products and lasting value to our customers.

We utilise our core strengths to innovate and deliver high-quality products while seizing new opportunities. Over time, we have built long-term customer relationships, firmly positioning ourselves as a prominent and trusted alloy wheel brand in India's automotive segment.

We are listed on the Bombay Stock Exchange (BSE) and have a robust market capitalisation of ₹ 9,666 million as on December 31, 2023.

WHAT SETS US APART

RICH LEGACY

We are part of the prestigious Enkei Group, a global leader with over 70 years of experience in manufacturing aluminium alloy wheels in the automotive sector. With the unwavering support of our parentage, we have benefited from its rich expertise, gaining a significant market share in India's automotive sector.

MANUFACTURING EXCELLENCE

We drive innovation through our cutting-edge manufacturing capabilities to produce top-quality products tailored to evolving customer needs and sustainable operations. Our modern facility in Pune is equipped with the latest equipment and advanced technologies from the Enkei Group for streamlining manufacturing processes and cost efficiencies. Furthermore, the Company has installed painting line facility at Factory 2 location with a painting capacity of 170,000 wheels per month. The Company is in the process to develop the MAP 2 facility with an upgraded technology, it is expected to boost production and revenue, complementing our ongoing efforts to optimise processes, reduce wastage, increase productivity and capacity expansion.

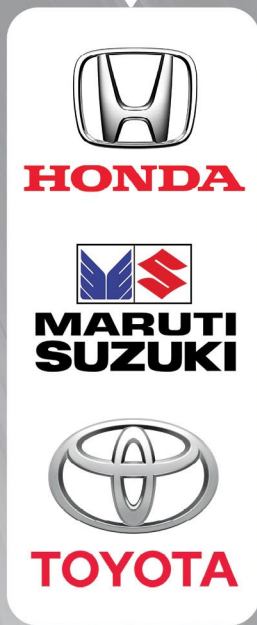
STATE-OF-THE-ART MANUFACTURING UNITS

Factory Location: Pune
Production Capacity: Manufacture 120,000 wheels per month for two-wheelers and 110,000 wheels per month for four-wheelers
Address: Gat No. 1421-25, Village Shikrapur, Taluka Shirur, Dist. Pune - 412208
Fully equipped with a new painting line with a painting capacity of 170,000 wheels per month.

TWO-WHEELER

FOUR-WHEELER

BEING RESPONSIBLE



We remain steadfast in our endeavour to effect positive change in society and our local communities through meaningful corporate social responsibility (CSR) measures.

UNMATCHED QUALITY AND DESIGN COMPETENCE

MARQUEE CLIENTELE

SEASONED LEADERSHIP AND COMPETENT TEAM

Through our innovative streak and superior quality products, we empower our clientele to gain a competitive edge. Backed by efficient quality management processes and a skilled design team, our brand epitomises trust in the Indian automotive sector.

Our focussed emphasis on maintaining enduring and long lasting customer relationships has helped us build a robust and esteemed clientele in the two-wheeler and four-wheeler automotive sectors.

Led by our strategic leadership, we strive to foster a competent and engaged workforce through focussed measures for pursuing high growth opportunities and achieving new milestones.

616

No. of Employees as on December 31, 2023

FY 2023 Financial Performance

DRIVING STEADY GROWTH

With robust business fundamentals and core competencies, we continue to expand capacities and drive operational excellence to deliver strong growth and lasting value to our stakeholders.

PROFIT AND LOSS INDICATORS

Net Sales

₹ in million

FY 2023	7,161.37
FY 2022	6,634.91
FY 2021	4,505.3
FY 2020	2,352.0
FY 2019*	2,667.6

Other Income

₹ in million

FY 2023	80.65
FY 2022	84.2
FY 2021	23.8
FY 2020	13.9
FY 2019*	320.2

Material Cost

₹ in million

FY 2023	4,076.21
FY 2022	4,037.80
FY 2021	2,657.1
FY 2020	1,257.5
FY 2019*	1,404.6

Other Expenses

₹ in million

FY 2023	2,009.02
FY 2022	1,719.37
FY 2021	1,137.3
FY 2020	771.6
FY 2019*	1,309.4

Interest

₹ in million

FY 2023	106.96
FY 2022	152.84
FY 2021	20.6
FY 2020	121.5
FY 2019*	44.8

Depreciation

₹ in million

FY 2023	415.47
FY 2022	283.96
FY 2021	191.5
FY 2020	217.7
FY 2019*	177.6

Profit Before Tax

₹ in million

FY 2023	160.52
FY 2022	95.72
FY 2021	174.8
FY 2020	(326.3)
FY 2019*	51.4

Income Tax Provision

₹ in million

FY 2023	43.57
FY 2022	58.61
FY 2021	12.0
FY 2020	(12.7)
FY 2019*	24.2

Net Profit After Tax

₹ in million

FY 2023	116.95
FY 2022	37.11
FY 2021	162.8
FY 2020	(313.6)
FY 2019*	27.3

*Figures shown in FY 2019 are of 9 (nine) months period.

Basic Earnings Per Share (Face Value of ₹ 5/-) Before Extraordinary Income/Expense (₹)

FY 2023	6.51
FY 2022	2.06
FY 2021	9.1
FY 2020	(17.9)
FY 2019*	1.6

Basic Earnings Per Share (Face Value of ₹ 5/-) After Extraordinary Income/Expense (₹)

FY 2023	6.51
FY 2022	2.06
FY 2021	9.1
FY 2020	(17.9)
FY 2019*	1.6

Book Value Per Share (₹)

FY 2023	123.08
FY 2022	118.08
FY 2021	115.5
FY 2020	106.1
FY 2019*	107.3

BALANCE SHEET INDICATORS

Reserves

₹ in million

FY 2023	2,242.54
FY 2022	2,122.42
FY 2021	1,986.4
FY 2020	1,817.1
FY 2019*	1,746.67

Net Worth

₹ in million

FY 2023	2,332.41
FY 2022	2,212.30
FY 2021	2,076.3
FY 2020	1,906.9
FY 2019*	1,832.0

Debt Equity Ratio

FY 2023	0.61
FY 2022	0.60
FY 2021	0.71
FY 2020	0.80
FY 2019*	0.55

LAYING THE FOUNDATION FOR THE NEXT LEVEL OF GROWTH



Following the start of MAC5 operations in 2022; 2023 was a year of significant progress on projects that were planned before COVID-19, including the establishment of a new paint shop and machine shop as well as the conversion of MAP3 to MAT and restart of operations. In 2024, we will focus on maximising the productivity of each factory that has started operations. Additionally, we will focus on the conversion project of MAP2 to MAT, ensuring that we effectively respond to customer orders.

TO OUR SHAREHOLDERS

We hereby share the comprehensive performance results of FY 2023 and the latest trends of Enkei Wheels (INDIA) LIMITED (hereinafter referred to as EWIL) with our shareholders. We would also like to thank you all for your continued support.

PRODUCTION AND SALES OF AUTOMOBILES AND MOTORCYCLES IN FY 2023

According to SIAM (Society of Indian Automobile Manufacturers) data released on January 12, 2024, India's automobile sales in 2023 reached 5.07 million units, a 7.5% increase from the previous year, thus, maintaining its position as the world's third-largest automobile market after advancing to that position in 2022.

The passenger vehicle sales grew significantly by 8.2% year-on-year, outpacing the growth of commercial vehicles (4.8% year-on-year). Particularly, in passenger vehicles, the growth of UVs, including SUVs, increased by 22.4% year-on-year, clearly demonstrating the SUV boom in the figures as well.

Since 2020, amid the significant impact of COVID-19, new car sales in India have been steadily increasing. In 2023, with the announcement that India's population had become the largest in the world, coupled with the growing middle-income class, the situation continues to be favourable for the future

adoption of automobiles. As a result, automakers in India are promoting large-scale capital investment.

In addition, according to SIAM, the sales of two-wheelers in India in 2023 were 17.07 million units, indicating a 9.1% increase from the previous year. However, two-wheeler sales did not reach the previous level of 20 million units. On the other hand, the sales of motorcycles, for which EWIL mainly produces and supplies wheels, increased by only 0.6% on a production volume basis compared to the previous year.

ORDERS AND PRODUCTION STATUS IN FY 2023

In 2023, EWIL's number of orders received showed contrasting results, with a 2W increase of 95.1% and a 4W increase of 127.9% over the previous year. In particular, in 4W, MAP3's conversion to MAT (Most Advanced Technology) and re-establishment were implemented in the second half of 2023, which expanded capacity. Productivity was also improved at other plants, leading to increased sales. However, in 2W, a large-scale production adjustment was undertaken in the first quarter due to OBD II (On-board diagnostics) compliance with customers, resulting in a temporary decrease in monthly sales volume to nearly a quarter of the production capacity. As a result, the annual sales could not exceed those of 2022.

One of EWIL's biggest challenges is its inability to achieve the Enkei Group Standard for 3B (3 Basics of manufacturing:

Reject ratio, Pass through ratio, Reduce work-in-process), which is an important issue along with productivity. In particular, the 4W values vary greatly depending on the period and production model, and with WIP values being high on average, smooth operation could not be thoroughly achieved. Therefore, to address this, improvements led by Indian staff and Japanese expatriates are being implemented, along with support from specialists from Enkei Japan to ensure maximum improvement; ultimately, aiming to achieve the Enkei Standard.

PROFITABILITY IN FY 2023

The Company's performance in 2023 resulted in increased revenue but decreased profit compared to the previous year. While the increase in variable costs, including raw material costs, etc., was limited to an amount lower than the increase in sales, depreciation costs increased significantly due to the conversion of MAP3 to MAT → its restart, and starting the operation of Paint Shop 2 and Machine Shop. Additionally, repair costs for MAP3 increased due to expenses such as repairs required for restarting operations. There was a rise in energy costs owing to an increase in the number of operating plants while personnel costs escalated due to an increase in the number of employees and wage hikes. As a result, the increase in fixed costs exceeded the increase in sales. In the future, the Company will aim to maximise sales by achieving full production and improving productivity at the facilities that have started operation, to recover the increase in depreciation costs, among others.

PROGRESS OF THE PRODUCTION CAPACITY EXPANSION PLAN

The Production Capacity Expansion project has been renamed "Preparations For our Future (PFF)". In May 2022, production was started at MAC5, the first phase of the PFF Project, and production has been steadily increasing since then.

In 2nd Phase, the installation and start of production for all 1 - New Paint Shop (Paint Shop 2), 2 - The conversion of MAP3 (existing line) to MAT, and 3 - The Machine Shop (rework line and addition and consolidation of helium leak testing), were commenced in the second half of 2023 as planned. While some issues arose after production began at MAP3, they have been addressed and the line is now operating at full capacity. Paint Shop 2 and the Machine Shop are gradually expanding production and both are operating smoothly.

Regarding the 3rd Phase of the PFF Project, work is currently underway to relocate MAP2 on the MAP4 side along with its conversion to MAT, with the aim of restarting production in 2024. The restart of MAP2 is scheduled for the second half of 2024.

The completion of this 3rd Phase will mark the completion of the PFF Project.

MID TO LONG-TERM ORDER ACQUISITION STRATEGY

As previously mentioned, EWIL's production capacity expansion will reach a milestone with the completion of the MAP2 project in 2024. While the Indian market is expanding,

the financial impact of COVID-19 remains in the form of outstanding long-term borrowings from the parent company, and the ongoing recovery of investment in the PFF project. Therefore, the priority is to reduce debt, and post completion of the MAP2 project, continue to acquire orders from customers in line with the current production capacity.

In addition, we will further promote the improvement of productivity of existing facilities more strongly than ever before, aiming to increase production capacity as well as sales.

CONCLUSION

The Enkei Group's Action Plan for fiscal 2024 is "Prepare for the next". While the EWIL's PFF project will mark a milestone this year, it will also be a year of laying the foundation for the "next" after the PFF. By making full use of the expanded production facilities to steadily accumulate profits and promoting the repayment of borrowings that have increased due to past investments and responses to unforeseen events such as COVID-19, the Company will improve its corporate constitution and work together as a company to prepare for the next leap.

Furthermore, EWIL's action policy for the fiscal year 2024 remains "Realise further improvement of productivity and stable operation" as in the previous year. At the beginning of 2024, the productivity of EWIL's existing production lines has been steadily improving. We will continue this trend and make efforts and improvements to achieve the following goals: M1 grade (production of 500 or more units per day per mould) in the existing MAP plant, M3 grade (production of 700 or more units per day per mould) in MAC5, and Mission 500 (production of 500 or more units per day per mould) in 2W.

Moreover, we aim to improve the work environment to achieve a workplace with zero accidents under the slogans "Safety First", "Health First", and "Green First", towards improving employee benefits. Additionally, to ensure that working at EWIL is a source of satisfaction and pride for our employees. EWIL is also committed to contributing to the local community through CSR activities, aspiring to become a trusted and sustainable company that is respected by all stakeholders, including shareholders, clients, and employees.

We would like to extend our deepest gratitude to our stakeholders, shareholders, clients, suppliers, employees, unions, and Enkei Group companies for their understanding and cooperation. We look forward to your continued support in the future.

Warm Regards,

KENJIRO HAMA
Managing Director

COMMITTED TO TRANSFORMING LIVES

Fire Hydrant Training



Safety Mockdrill



Foundation Day Puja



Training on Fire Fighting



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Kenjiro Hama

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. Smita Patti

Independent & Non-Executive Director

Mr. Makoto Miura

Alternate Director

CHIEF FINANCIAL OFFICER

Mr. Jitendra Parmar

COMPANY SECRETARY

Mr. Sourav Chowdhury

BANKERS

MUFG Bank Ltd.

Mumbai

Mizuho Bank Ltd.

Mumbai

Sumitomo Mitsui Banking Corporation

Delhi

Axis Bank Ltd.

Pune

Kotak Mahindra Bank Ltd.

Pune

AUDITORS

Kirtane & Pandit LLP

Chartered Accountants,

Pune

REGISTERED OFFICE

Enkei Wheels (India) Limited

CIN: L34300PN2009PLC133702

Gat No. 1425, Village Shikrapur,

Taluka Shirur, Dist. Pune - 412208.

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

Email: secretarial@enkei.in

Website: www.enkei.in

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited

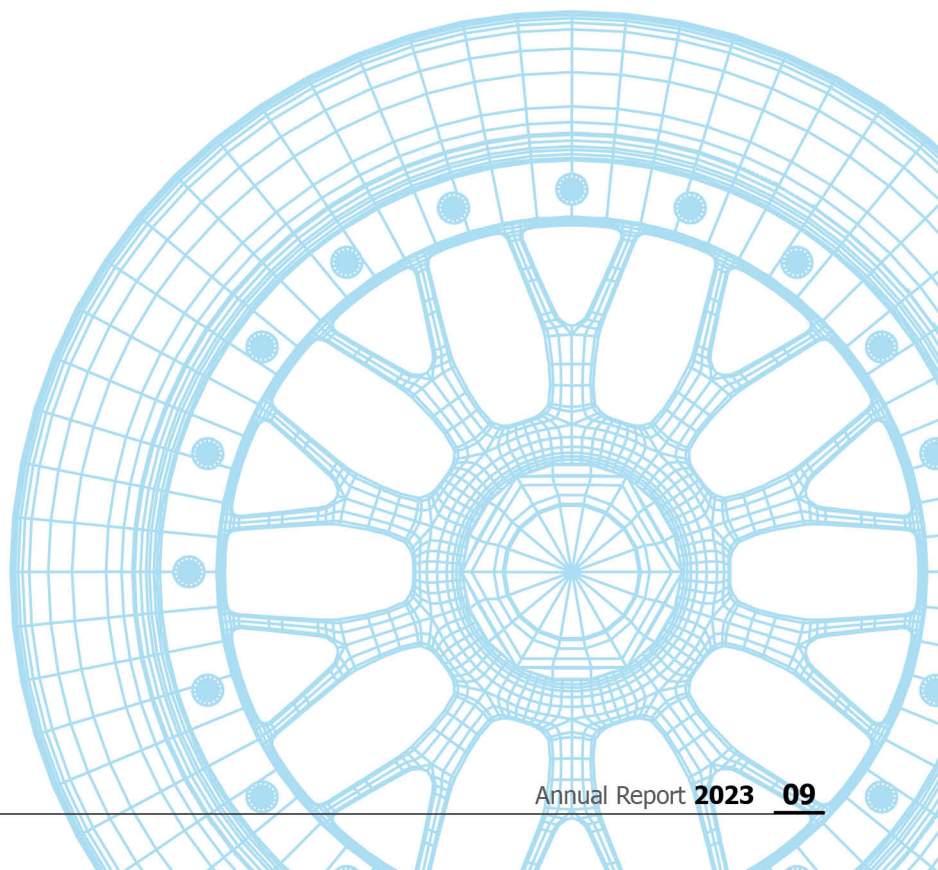
C-101, 247 Park, 1st Floor, L.B.S Marg,

Vikhroli (West), Mumbai - 400083.

Tel: +91(22) 28207203-05, 49186178-79

Fax: +91(22) 28207207

Email: info@inisec.in



NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIFTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ENKEI WHEELS (INDIA) LIMITED WILL BE HELD ON WEDNESDAY, THE 22ND DAY OF MAY 2024 AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT GAT NO. 1425, VILLAGE SHIKRAPUR, PUNE- 412208 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

ITEM NO. 1: To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on December 31, 2023 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 re-appointment.

ITEM NO. 3: To appoint auditors and to fix their remuneration.

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to recommendations of the Audit Committee and Board of Directors of the Company, M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W / W100057) who have given their consent for re-appointment as Auditors of the Company and have confirmed their appointment and eligibility to be appointed as Auditors of the Company in terms of provision of Section 141 of the Act, be and are hereby re-appointed as Statutory Auditors of the Company to hold office for period of 5 (five) years from the conclusion of this Annual General Meeting until the conclusion of the 20th Annual General Meeting to be scheduled in the calendar year 2029, on such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors.

SPECIAL BUSINESS:

ITEM NO. 4: RATIFICATION OF APPOINTMENT OF MR. KENJIRO HAMA AS MANAGING DIRECTOR

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Article 141 of Articles of Association of the Company and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities, in granting such approvals, permissions and sanctions and pursuant to the recommendation of Nomination and Remuneration Committee and approval of the Board vide their Meeting held on February 23, 2024, the consent of the Members of the Company be and is hereby accorded to the appointment of Mr. Kenjiro Hama (DIN 10516270), as Managing Director of the Company for a period of five years, with effect from February 23, 2024 to February 22, 2029, and the payment of salary and perquisites (hereinafter referred to as "remuneration") in excess of the limit as prescribed in Part II, Section II (A) of Schedule V of the Company Act 2013, upon the terms and conditions as detailed in the explanatory statement attached hereto.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to approve any variation of the terms and conditions related to remuneration payable to Mr. Kenjiro Hama, which shall not be exceeded the limit prescribed in the Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) or Key Managerial person to give effect to the aforesaid resolution.

ITEM 5: APPOINTMENT OF MR. RATANLAL GOEL (DIN: 07663394) AS AN INDEPENDENT NON EXECUTIVE DIRECTOR

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

“**RESOLVED THAT**, in accordance with the provisions of Section 149, 197 read with Schedule IV & V of the Companies Act, 2013, and Regulations 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ratanlal Goel (DIN: 07663394) be and is hereby appointed as a Director and also as an Independent Director of the Company with effect from May 23, 2024 for a period of five years with effect from May 23, 2024 to May 22, 2029 with a remuneration of ₹ 800,000/- (Rupees Eight Lakh) per annum.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

ITEM NO. 6: APPOINTMENT OF MR. SATCHIDANAND RANADE (DIN: 03525423) AS AN INDEPENDENT NON-EXECUTIVE DIRECTOR.

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

“**RESOLVED THAT**, in accordance with the provisions of Section 149, 197 read with Schedule IV & V of the Companies Act, 2013, and Regulations 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Satchidanand Ranade (DIN: 03525423) be and is hereby appointed as a Director and also as an Independent Director of the Company with effect from May 23, 2024 for a period of five years with effect from May 23, 2024 to May 22, 2029 with a remuneration ₹ 700,000/- (Rupees Seven Lakh) per annum.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

ITEM NO. 7: APPOINTMENT OF MS. KAVITA SETHI JAIN (DIN: 07964461) AS WOMAN INDEPENDENT NON-EXECUTIVE DIRECTOR.

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution:**

“**RESOLVED THAT**, in accordance with the provisions of Section 149, 197 read with Schedule IV & V of the Companies Act, 2013, and Regulations 17 and 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms. Kavita Sethi Jain (DIN: 07964461) be and is hereby appointed as a Director and also as an Independent Director of the Company with effect from May 23, 2024 for a period of five years with effect from May 23, 2024 to May 22, 2029 with a remuneration ₹ 600,000/- (Rupees Six Lakh) per annum.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto”.

ITEM NO. 8: TO APPROVE THE MATERIAL RELATED PARTY TRANSACTIONS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 177, 188 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with rules made thereunder ('the Rules'), including any statutory modification(s) or amendment(s) thereto or substitution(s) or re-enactment(s) made thereof for the time being in force and pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and pursuant to the approval of the Audit Committee and the Board of Directors of the Company vide their Resolutions dated February 23, 2024 and subject to such other approvals, consents, permissions and sanctions of any authorities, as may be necessary, the approval of the Members be and is hereby accorded to enter into/proposed to be entered into contracts/arrangements/agreements/ transactions to i) supply of Machineries and Equipments, ii) supply of Consumables, iii) supply of services from Enkei corporation and iv) Royalty payment, v) Sale of Goods and Equipments, vi) Payment of Interest on External Commercial Borrowings to Enkei Corporation, Japan, a 'Related Party' as defined under Section 2 (76) of the Companies Act, 2013 for aggregate amount up to ₹ 60 (Sixty) Crores, per calendar year for 3 (Three) years starting from January 01, 2024 till December 31, 2026, and

vii) External Commercial Borrowing from Enkei Thai Co. Ltd, a subsidiary of Enkei Corporation for an amount upto ₹ 350 million, as per the terms and conditions mutually agreed from time to time and as set out in the Explanatory Statement annexed to the Notice convening this meeting, which are in the ordinary course of business of the Company and all the terms and conditions including pricing are at arm's length basis, in which Mr. Junichi Suzuki, Director of the Company, is interested.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, any Director and/ or the Company Secretary of the Company be and is hereby authorized, jointly

and/or severally, to agree, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as they may deem fit and execute all agreements, addendum agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as the Board in its absolute discretion may deem fit

For and On Behalf of the Board of Directors

Place: Pune

Date: April 25, 2024

Kenjiro Hama
(Managing Director)
(DIN: 10516270)

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 Register of Members and Share Transfer Books of the Company will be closed from May 16, 2024 to May 22, 2024 (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) Statement setting out material facts (Explanatory Statement) pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out in the Notice is annexed hereto.
- 6) All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during the business hours on all days except Saturdays, Sundays and Public Holidays, between 11.00 a.m. to 1.00 p.m. up to the date of ensuing Annual General Meeting and will also be available at the Meeting.
- 7) Brief resume of Directors proposed to be re-appointed along with such other details as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Secretarial Standards on General Meetings (SS-2), are provided as Annexure to this Notice.
- 8) Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Company's Registrar and Share Transfer Agents for assistance in this regard.
- 9) Route Map of venue of Annual General Meeting is annexed to the Notice.

Enkei Wheels (India) Limited, Registered office: Gat No. 1425, Village Shikrapur, Taluka Shirur, Pune-412208



THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on May 19, 2024 at 09:00A.M. and ends on May 21, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. May 15, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being May 15, 2024.

HOW DO I VOTE ELECTRONICALLY USING NSDL E-VOTING SYSTEM?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

 App Store  Google Play



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.</p> <p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials,

click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client

ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY ON NSDL E-VOTING SYSTEM.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which

you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to indapurkarcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsd.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on : 022 - 4886

7000 or send a request to (Name of NSDL Official) at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to santosh.gamare@linkintime.co.in with a copy to sourav.chowdhury@enkei.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to santosh.gamare@linkintime.co.in with a copy to sourav.chowdhury@enkei.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

ANNEXURE TO THE NOTICE

Explanatory Statement

[Pursuant to Section 102(1) of the Companies Act, 2013]

The following explanatory statement sets out all material facts relating to various Business including Special Business of the accompanying Notice of the Annual General Meeting to be held on May 22, 2024.

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

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Sr. No.	Particulars	Details of Directors
1	Name of Director and DIN	Mr. Junichi Suzuki (DIN: 02628162)
2	Nature of Appointment	Director retires by rotation, and being eligible, seeks reappointment.
3	Father's Name	Mr. Kenji Suzuki
4	Relationship with other Directors	NIL
5	Nationality	Japan
6	Date of Birth	January 25, 1948
7	Brief Resume of the Director	Mr. Suzuki is founder, president of Enkei Corporation, which was founded on October 5, 1950 in Japan. Enkei Corporation manufactures and distributes automobile wheels and other auto components. Enkei also offers molds, industrial machines, and other products. Mr. Suzuki is serving on Board of various corporate worldwide.
8	Qualifications	Engineer
9	Expertise	Engineering & Management
10	Date of first appointment	March 24, 2010
11	List of outside directorships Held (Public Limited Co.)	Please refer Report of Corporate Governance
12	Member of the Committees in other companies in India	Please refer Report of Corporate Governance
13	Shareholding in the Company	Nil
14	Number of Meetings of the Board, attended	Please refer Report of Corporate Governance
15	Other remarks	Mr. Makoto Miura has been appointed as an Alternate Director in place of Mr. Junichi Suzuki in compliance of the provision of subsection of 2 of section 161 of the Companies act 0213

ITEM NO. 4: RATIFICATION OF APPOINTMENT OF MR. KENJIRO HAMA MANAGING DIRECTOR

pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V of the Companies Act, 2013 and Article 141 of Articles of Association of the Company, and on recommendation of the Nomination and Remuneration Committee, the Board of Director of the Company has appointed Mr. Kenjiro Hama (DIN 10516270), as Managing Director of the Company, for the period effective from February 23, 2024 to February 22, 2029, subject to the ratification of such appointment of Mr. Kenjiro Hama (DIN 10516270) at the ensuing Annual general Meeting to be held on May 22, 2024. A brief profile of Mr. Kenjiro Hama is stated below:

Sr. No.	Particulars	Details of Directors
1	Name of Director and DIN	Mr. Kenjiro Hama (DIN: 10516270)
2	Nature of Appointment	Appointment as Managing Director
3	Father's Name	Mr. Shigeru Hama
4	Relationship with other Directors	NIL
5	Nationality	Japan
6	Date of Birth	July 21, 1963
7	Brief Resume of the Director	Mr. Kenjiro Hama has done Faculty of Law from Chukyo University in Japan and he has the 36 years of experience. He specializes in sales and manufacturing. He has got various corporate responsibilities in various countries on behalf of Enkei Group
8	Qualifications	Bachelor of Laws
9	Expertise	Sales and Manufacturing
10	Date of first appointment	February 23, 2024
11	List of outside directorships Held (Public Limited Co.)	Nil
12	Member of the Committees in other companies in India	Nil
13	Shareholding in the Company	Nil
14	Number of Meetings of the Board, attended	Nil
15	Other remarks	NA

Consent of the member as well as payment of remuneration upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or agreement in such manner as may be agreed to between the Board of Directors and Mr. Kenjiro Hama.

The remuneration & perquisites of Mr. Kenjiro Hama are set out in draft agreement referred in the resolution no. 3 of the notice and are subject to approval of members under the provisions of Sections 196, 197, 198, 203 and other applicable provisions read with Schedule V of the Companies Act, 2013

- i. Salary (Net) not exceeding ₹ 1,500,000 per month.
- ii. The Managing Director shall be entitled to the perquisites and facilities As per the Annexure I:
- iii. Withholding Taxes at actual shall be borne by the Company.

ANNEXURE I: PERQUISITES:

I. Medical Reimbursement:

Reimbursement of medical expenses as per Income Tax Act & Rules.

II. Club Fees:

Fees of maximum two clubs excluding admission and life membership fees.

III. Housing Accommodation :

Reasonable apartment accommodation shall be provided by the company.

IV. Annual Leave:

30 days annual leave with pay for every completed service of eleven months.

V. Leave Travel Concession:

For twice a year, round trip air ticket to be provided by the company.

VI. Provident fund and superannuation:

- a) Company's contribution to Provident Fund shall be as per Rules framed under the Company's relevant scheme.
- b) Gratuity at the rate of half month's salary for each completed year of service shall be payable according to the Rules of the Company.

VII. Provision of Car:

One car shall be given by the Company for MD exclusive use.

VIII. Telephone:

Cell phone charge to be provided from the Company.

- IX.** The company shall reimburse actual entertainment and traveling expenses incurred by the managing director in connection with the company's business.

In the event of inadequacy or absence of profits during the duration of the agreement, the Managing Director shall be entitled to remuneration herein provided but without commission and where applicable the same shall be subject to the approval of the Central Government.

Total amount of above perquisites shall not exceed ₹ 400,000 p.m.

AND this will be treated as minimum remuneration in the case of absence or inadequacy of profits".

Remuneration of Managing Director shall be governed by Schedule V of the Companies Act, 2013.

INFORMATION AS PER THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V IS AS FOLLOWS:

I. General Information:

- Nature of Industry: Company is in Auto Parts & Equipment Industry, engaged in the manufacturing of Aluminum alloy wheels for 2W & 4W.
- Date of Commencement of Commercial Production: March 30, 2009
- Financial Performance:

	(₹ In million)
For the year ended (As per Audited Financial Statement)	December 31, 2023
Total Income	7,242.02
Total Expenses	7,081.50
Profit/(loss) Before Tax	160.52
Provision for Taxation (Current, Deferred, MAT and others)	43.57
Profit After Tax and Extraordinary items	116.95
Profit After Tax carried to the Balance Sheet	116.95

- Foreign Investment: As on December 31, 2023 the total foreign Investment in the Company is 74.97% which are held by Enkei Corporation, Japan.

II. Information about appointee:

1. Background:

Mr. Kenjiro Hama has possessed the degree of Bachelor of Laws and he has 36 years of experience. He has a special expertise Sale, Marketing and Production, Research and Development.

2. Past Remuneration:

Mr. Kenjiro Hama has not drawn any remuneration from the Company before his appointment as Managing Director.

3. Recognitions or awards:

Nil.

4. Job Profile and his suitability:

Mr. Kenjiro Hama has the experience of 36 years in the Enkei Group. This has enabled him to garner wide experience in the Auto Industry. He is responsible for the overall Management of the Company under the supervision, control and direction of the Board of Directors.

5. Remuneration proposed:

It is proposed to maintain monthly remuneration not exceeding to ₹ 1,500,000/- inclusive of other perquisites and in the event of any loss or inadequacy of profit in any financial year, subject to Section II of part II of the Schedule V of the Companies Act, 2013, or any modifications thereof, the Managing Director shall be paid the above remuneration by way of salary and perquisites as specified above as the minimum remuneration.

6. Comparative remuneration profile with respect to industry, size of the Company, profit of the position and person:

The exact latest data of the comparative profile with remuneration of CEO/MD/Key Personnel of Auto parts & Equipments Companies is not available; however the CEO's/MDs/Key Managerial personnel of Auto parts & Equipment's Companies of comparable status are generally receiving remuneration in above scale only.

7. Pecuniary relationship directly or indirectly with the Company:

Mr. Kenjiro Hama does not have any pecuniary relationship with the company or with managerial persons.

III. OTHER INFORMATION:

1. Reasons for the expected loss or inadequate profits:

The Company has reported a turnover (including other income) of ₹ 7,242.02 million for the F.Y ended December 31, 2023 as against ₹ 6,719.11 million for the previous F.Y ended December 31, 2022. The Company has reported a net profit after tax of ₹ 116.95 million for F.Y ended December 31, 2023 as against net Profit after tax of ₹ 37.11 million for F.Y ended December 31, 2022. Hence, the Company has made profit during the financial year ended December 31, 2023. However, the Company is passing a Special Resolution pursuant to the proviso to the sub-section (3) of Section 197 of the Companies Act, 2013 as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to uncertain business environment and uncertain Forex impact.

2. Steps taken or proposed to be taken for improvement:

The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line

3. Expected increase in productivity and profits in measurable terms:

The demand for alloy wheels is huge in the market and hence company has taken steps to expand its four wheel base which will increase the productivity & profits.

None of the Directors, except Mr. Kenjiro Hama and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the Members.

Item No. 5, 6 & 7

APPOINTMENT OF MR. RATANLAL GOEL (DIN: 07663394), MR. SATCHIDANAND RANADE (DIN: 03525423) AND MS KAVITA SETHI JAIN (DIN: 07964461) AS AN INDEPENDENT NON EXECUTIVE DIRECTORS:

The Board of Directors of the Company ('the Board') at their meeting held on April 25, 2024, and on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the appointment of Mr. Ratanlal Goel (DIN: 07663394), as Director and also as an Independent Director of the Company for a period of 5 years w.e.f. May 23, 2024 to May 22, 2029, with a remuneration of ₹ 800,000/- (Rupees Eight Lakh), as set out in the Resolution.

The Board of Directors of the Company ('the Board') at the meeting held on April 25, 2024, and on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the appointment of Mr. Satchidanand Ranade (DIN: 03525423) as Director and also as an Independent Director of the Company for a period of 5 years w.e.f. May 23, 2024 to May 22, 2029, with a remuneration of ₹ 700,000/- (Rupees Seven Lakh), as set out in the Resolution.

The Board of Directors of the Company ('the Board') at the meeting held on April 25, 2024, and on the recommendation of the Nomination & Remuneration Committee ('the Committee'), recommended for the approval of the Members, the appointment of Ms Kavita Sethi Jain (DIN: 07964461) as Director and also as an Independent Director of the Company for a period of 5 years w.e.f. May 23, 2024 to May 22, 2029, with a remuneration of ₹ 600,000/- (Rupees Six Lakh), as set out in the Resolution.

Mr. Ratanlal Goel, Mr. Satchidanand Ranade and Ms Kavita Sethi Jain, pursuant to Section 152 of the Companies Act, 2013 ('the Act'), have given their consent to act as a Director of the Company, and requisite Notice, pursuant to Section 160 of the Act, proposing their appointment as a Director of the Company have been received. Declarations have also been received from Mr. Ratanlal Goel, Mr. Satchidanand Ranade and Ms Kavita Sethi Jain that they meet the criteria of independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Pursuant to regulation 36 of Listing regulation a brief of the Mr. Ratanlal Goel, Mr. Satchidanand Ranade and Ms Kavita Sethi Jain are given below:

Sr. No.	Particulars	Mr. Ratanlal Goel	Mr. Satchidanand Ranade	Ms. Kavita Sethi Jain
1	Name of Director and DIN	Mr. Ratanlal Goel (DIN: 07663394)	Mr. Satchidanand Ranade (DIN: 03525423)	Ms. Kavita Sethi Jain (DIN: 07964461)
2	Nature of Appointment	Appointment as an Independent Director	Appointment as an Independent Director	Appointment as Woman Independent Director
3	Father's Name	Mr. Tikaram Goel	Mr. Arun Krishnaji Ranade	Late Mr. Jainendra Kumar Sethi
4	Relationship with other Directors	Nil	Nil	Nil
5	Nationality	Indian	Indian	Indian
6	Date of Birth	February 9, 1962	April 3, 1970	April 6, 1970
7	Brief Resume of the Director	M.Com, LLB, FCA, ACS Aged about 62 years is a well known Chartered Accountant and Company Secretary, having rich professional experience of more than 35 years in the field of Financial Management, Accounting, Auditing, Taxation, Corporate Laws, Project Financing, Budgeting, MIS, Statutory Compliances, Information Technology (ERP), Human Resources Functions etc	Chartered Accountant in Public Practice since February 1994 and Founder & Senior Partner of SPJV & Co (Chartered Accountants) having rich experience on Works Internal Audits, Risk Assessment & Taxation etc.	Kavita Sethi Jain is - FCS, CS(UK), LLB & M.COM Kavita boasts over 24 years of rich experience in Legal & Secretarial domains, having served esteemed listed and non-listed companies. She chaired the Internal Committee for Prevention of Sexual Harassment. She's consistently praised by Boards & Management for her strong work ethic, adept boardroom practices, and problem-solving approach.
8	Qualifications	Masters of Commerce, Bachelor of Law (LLB), Fellow Chartered Accountant and Associate Company Secretary	Bachelor of Commerce and Fellow Chartered Accountant (ICAI).	Fellow Company Secretary (ICSI), Chartered Secretary – The Institute of Chartered Secretaries and Administrators – UK LLB (Hon's) – Devi Ahilya University, Indore M.Com - Devi Ahilya University, Indore
9	Expertise	Accounting, Finance & Banking, Taxation, Legal, Budgeting, Management, Statutory Compliances, etc	Direct Tax Compliance, Internal Audit	Ms. Kavita Sethi Jain brings over 26 years of experience in Company Law and Secretarial matters, demonstrating a strong grasp of corporate governance and compliance.
10	Date of first appointment	May 23, 2024	May 23, 2024	May 23, 2024
11	List of outside directorships Held (Public Limited Co.)	Krishanveer Forge Ltd.	Kranti Industries Limited	Nil
12	Member of the Committees in other companies in India	Krishanveer Forge Ltd. 1. Audit Committee 2. Nomination & Remuneration Committee 3. Stakeholders Relationship Committee	1) Audit Committee 2) Nomination & Remuneration	Nil
13	Shareholding in the Company	Nil	Nil	Nil
14	Other remarks	NA	NA	NA

INFORMATION AS PER THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V IS AS FOLLOWS:**I. General Information:**

Sr. No.	Particulars	Information														
a.	Nature of Industry	Company is in Auto Parts & Equipment Industry, engaged in the manufacturing of Aluminum alloy wheels for 2W & 4W														
b.	Date of Commencement of Commercial Production	March 30, 2009														
c.	Financial Performance	(₹ In million)														
		<table border="1"> <thead> <tr> <th style="text-align: left;">For the year ended (As per Audited Financial Statement)</th> <th style="text-align: right;">December 31, 2023</th> </tr> </thead> <tbody> <tr> <td>Total Income</td> <td style="text-align: right;">7,242.02</td> </tr> <tr> <td>Total Expenses</td> <td style="text-align: right;">7,081.50</td> </tr> <tr> <td>Profit/(loss) Before Tax</td> <td style="text-align: right;">160.52</td> </tr> <tr> <td>Provision for Taxation (Current, Deferred, MAT and others)</td> <td style="text-align: right;">43.57</td> </tr> <tr> <td>Profit After Tax and Extraordinary items</td> <td style="text-align: right;">116.95</td> </tr> <tr> <td>Profit After Tax carried to the Balance Sheet</td> <td style="text-align: right;">116.95</td> </tr> </tbody> </table>	For the year ended (As per Audited Financial Statement)	December 31, 2023	Total Income	7,242.02	Total Expenses	7,081.50	Profit/(loss) Before Tax	160.52	Provision for Taxation (Current, Deferred, MAT and others)	43.57	Profit After Tax and Extraordinary items	116.95	Profit After Tax carried to the Balance Sheet	116.95
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Profit After Tax and Extraordinary items	116.95															
Profit After Tax carried to the Balance Sheet	116.95															
d.	Foreign Investment	As on December 31, 2023 the total foreign Investment in the Company is 74.97% which are held by Enkei Corporation, Japan														

II. Information about appointee:

Sr. No.	Particulars	Mr. Ratanlal Goel	Mr. Satchidanand Ranade	Ms. Kavita Sethi Jain
a.	Background	He is M.Com, LLB, FCA, ACS having rich professional experience of more than 35 years in the field of Financial Management, Accounting, Auditing, Taxation, Corporate Laws, Human Resources Functions etc.	He is Chartered Accountant in Public Practice since February 1994 and Founder & Senior Partner of SPJV & Co (Chartered Accountants) having rich experience on Works Internal Audits, Risk Assessment & Taxation etc.	She is FCS, CS(UK), LLB & M.COM, having rich experience in Legal & Secretarial domains. She chaired the Internal Committees for Prevention of Sexual Harassment of various companies.
b.	Past Remuneration	Nil	Nil	Nil
c.	Recognitions or awards	Nil	Nil	Nil
d.	Job Profile and his suitability	He will be responsible for overall review of the financial result and statements in line with the performance of the Company. Various accounting compliance as per Companies act 2013, Indian accounting standard etc. and also responsible for human resource functions.	He will be responsible for overall review of the financial result and statement in line with the performance of the Company. He will further review the taxation filings of the Company. He will be responsible for CSR activities of the Company.	She will review the secretarial and legal compliance to mitigate the compliance risk.
e.	Remuneration proposed	₹ 800,000 Per annum	₹ 700,000 Per annum	₹ 600,000 Per annum

Sr. No.	Particulars	Mr. Ratanlal Goel	Mr. Satchidanand Ranade	Ms. Kavita Sethi Jain
f.	Comparative remuneration profile with respect to industry, size of the Company, profit of the position and person	The Independent Directors of Auto parts & Equipment's Companies of comparable status are generally receiving remuneration in above scale only.	The Independent Directors of Auto parts & Equipment's Companies of comparable status are generally receiving remuneration in above scale only.	The Independent Directors of Auto parts & Equipment's Companies of comparable status are generally receiving remuneration in above scale only.
g.	Pecuniary relationship directly or indirectly with the Company	Nil	Nil	Nil

III. OTHER INFORMATION:

Sr. No.	Particulars	Information
a.	Reasons for the expected loss or inadequate profits	The Company has reported a turnover (including other income) of ₹ 7,242.02 million for the F.Y ended December 31, 2023 as against ₹ 6,719.11 million for the previous F.Y ended December 31, 2022. The Company has reported a net profit after tax of ₹ 116.95 million for F.Y ended December 31, 2023 as against net Profit after tax of ₹ 37.11 million for F.Y ended December 31, 2022. Hence, the Company has made profit during the financial year ended December 31, 2023. The profitability of the Company may be adversely impacted in future due to uncertain business environment and uncertain Forex impact.
b.	Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The Company has also strategically planned to address the issue of productivity and increase profits and has put in place measures to reduce cost and improve the bottom-line.
c.	Expected increase in productivity and profits in measurable terms	The demand for alloy wheels is huge in the market and hence company has taken steps to expand its four wheel base which will increase the productivity & profits.

None of the Directors and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Special Resolution set out at Item No. 5, 6 & 7 of the Notice for approval by the Members.

Item No. 8

It is informed to the members that in supersession of the earlier Resolution No. 4 passed at the Annual General Meeting held on June 7, 2023, the Company has entered into/propose to be entered into contracts /arrangements /agreements/ transactions i) to supply of Machineries and Equipment, ii) to supply of Consumables, iii) to supply of services from Enkei Corporation and iv) Royalty payment, v) Sale of Goods and Equipment's vi) avail of external commercial borrowing from Enkei Thai co. Ltd (a subsidiary of Enkei Corporation) and payment of interest thereof vii) Payment of Interest on ECB to Enkei Corporation, Japan, a 'Related Party' as per the terms

and conditions mutually agreed from time to time, which are in the ordinary course of business of the company and terms and conditions including pricing are at arm's length basis and the same were reviewed by the Audit Committee. The transactions entered into/proposed to be entered i) to supply of Machineries and Equipment, ii) to supply of Consumables, iii) to supply of services from Enkei corporation and iv) Royalty payment, v) Sale of Goods and Equipments vi) avail of External Commercial Borrowing from Enkei Thai co. Ltd (a subsidiary of Enkei Corporation) vii) Payment of Interest on ECB to Enkei Corporation, Japan, are constitutes 'material' as per Related Party Transactions Policy of the Company and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Pursuant to Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all material Related Party Transactions require approval of the shareholders, in which the no related party shall vote to approve resolutions whether the entity is a related party to the particular transaction or not. The particulars of the

transactions pursuant to para 3 of Explanation (1) to Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014 are as under:

MATERIAL RELATED PARTY TRANSACTIONS

Sr. No.	Name of Related Party	Nature of Relationship, If any	Name of the Interested Director	Nature & Duration of Contract	Amount of Contract / Arrangement
1.	Enkei Corporation	Holding Company	Mr. Junichi Suzuki	Purchase of Machineries and Equipment from Enkei Corporation	₹ 25 Crore
				Purchase of consumables from Enkei Corporation	₹ 5 Crore
				Avail of Services from Enkei Corporation	₹ 12 crore
				Payment of Royalty to Enkei Corporation	₹ 14 crore
				Sale of Goods and Equipment to Enkei Corporation	₹ 1 Crore
				Avail of ECB from Enkei Thai Co. Ltd (Subsidiary of Enkei Corporation)	₹ 350 million
				Payment of Interest on External Commercial Borrowings.	₹ 3 Crore

BOARDS' REPORT

To,
The Members of
ENKEI WHEELS (INDIA) LIMITED

The Directors take pleasure in presenting the fifteenth Annual Report together with the Audited Financial Statements, for the financial year ended December 31, 2023:

(The Annual Report for FY 2023 can be accessed by web link www.enkei.in)

FINANCIAL HIGHLIGHTS:

The Company's financial performance during the financial year 2023, as compared to the previous year 2022 is summarized below:

Particulars	(₹ In million)	
	For the Year ended December 31, 2023	For the Year ended December 31, 2022
Total Revenue	7,242.02	6,719.12
Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)	682.95	532.52
Less: Depreciation	415.47	283.96
Less: Financial Expenses	106.96	152.84
Profit / (Loss) before exceptional and extraordinary items and tax	160.52	95.72
Less: Exceptional and Extraordinary items	-	-
Profit/(Loss) before Tax	160.52	95.72
Less: Provisions for Taxes	43.57	58.61
Profit/(Loss) after Tax	116.95	37.11

REVIEW OF OPERATIONS:

The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The two-wheelers segment dominates the market in terms of volume. Moreover, the growing interest of companies in exploring the rural markets further aided the growth of the sector. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. Future market growth is anticipated to be fueled by new trends including the electrification of vehicles.

During the Financial Year under review total standalone revenue of the Company increased to ₹ 7,242.02 million from ₹ 6,719.12 million for previous year. Profit before Interest, Depreciation, Exceptional Items and Tax increased to ₹ 682.95 million as against ₹ 532.52 million for the previous year. The profit before exceptional items & tax for the Financial Year increased to ₹ 160.52 million in Financial Year 2023 from profit of ₹ 95.72 million in Financial Year 2022 due to increased sale volume. Moreover, your company landed with the sales of total

₹ 7,066.66 million (Jan-Dec 2023) combined for 2W and 4W as against previous year ₹ 6,537.40 million.

Your Company had posted 8 percent of overall growth in terms of sales volume which is amounting to ₹ 529 million though there is significant increase in depreciation cost during the year under review as compared to the last year 12 months' period.

The Company remains optimistic about growth in the next financial year, as a credible recovery in the Indian economy and a positive inducement towards increasing alloy wheels' demand in near future.

CAPITAL

During the year under review, there were no changes in the structure of share capital of the company compared with previous year.

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. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral.

There were no cases reported during the year under review under the said Policy.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 "OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT"

No matters of actual or alleged fraud has been reported by the auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

LISTING FEES:

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

BOARD MEETINGS:

During the year under review, **Four Board Meetings** were convened and held. The intervening gap between the two consecutive Meetings here 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: 4)
Mr. Kazuo Suzuki	4/4
Mr. Junichi Suzuki	1/4
Mr. Shailendrajit Rai	3/4
Dr. Haresh Shah	4/4
Mr. Satyavara P. Garimella	4/4
Ms. Smita Subhash Patti	4/4
Mr. Makoto Miura (Alternate Director)	1/1

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 December 29,

2023 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 various committees 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's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent directors were present at the meeting.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2.

The Company have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review the Company was in compliance with the Secretarial Standards, i.e., SS-1 and SS- 2, relating to "Meetings of the Board of Directors" and "General Meetings" respectively.

FAMILIARISATION PROGRAMME ARRANGED FOR INDEPENDENT DIRECTORS

The company as required under Schedule IV of the Companies Act, 2013 and Listing Regulations has made arrangement to facilitate the independent directors to familiarize with the operations of the company, their roles, rights, responsibilities as Directors of the company considering the nature of the industry in which the company operates, business model of the company, etc. The above aspect can be accessed by web link www.enkei.in. During the F.Y. 2023.

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 the year ending on **December 31, 2023**, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. that, the directors have 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 the 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 **December 31, 2023** 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

Your Directors do not recommended payment of dividend for the financial year 2023 in view of capital retention for future business expansion diversification plan.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 does not apply as there was no dividend declared and paid in last year. Further there is no unclaimed dividend or outstanding dividend, standing in the books of the Company.

A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and in 16 (1) (b) of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and pursuant to Regulation 16(1)(b) of the Listing Regulations, each Independent Director confirmed that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/ her duties with an objective independent judgment and without any external influence and that he/she is independent of the management.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board had on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration.

The Company policy on Directors & KMP remuneration is available on the Company's website at http://www.enkei.in/download/others/Nomination_Remuneration_Policy.pdf

AUDITORS:

A. Statutory Auditors

M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W / W100057) were appointed as Statutory Auditor of the Company at the Tenth Annual General Meeting (AGM) of the Company held on July 9, 2019, appointed), to hold office from the conclusion of the Tenth AGM till the conclusion of the Fifteenth AGM of the Company held in the year 2024.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., Audit Committee recommend the reappointment of M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W / W100057), as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of Fifteenth AGM till the conclusion of Twentieth AGM of the Company to be held in the year 2029, at a remuneration as may be decided by the Committee and Board subject to the approval of shareholders. M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W / W100057) has consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

Pursuant to the provisions of section 139 of Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, and based on the recommendations of the Audit Committee, it is proposed to reappoint M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W / W100057) for a second term of five years as the Statutory Auditors from the conclusion of 15th AGM till the conclusion of 20th AGM of the Company to be held in the year 2029.

B. Secretarial Auditors

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

M/s. Shailesh Indapurkar and Associates, Practicing Company Secretary have also issued Secretarial Compliance Report as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder, same is annexed herewith as 'Annexure III' to this Report.

EXPLANATION ON COMMENTS ON STATUTORY AUDITORS', SECRETARIAL COMPLIANCE REPORT AND SECRETARIAL AUDITORS' REPORTS:

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

COST AUDIT REPORT AND MAINTENANCE OF COST RECORDS:

The Cost audit under provisions of Section 148 of the Companies Act, 2013 is not applicable to the Company. Hence the Company has not conducted the cost audit for the financial year 2023.

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 for the business activities carried out by the Company.

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. No major elements of the risk exist, which in the opinion of the Board may threaten the existence of the company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on December 31, 2023, are set out in Notes to the Financial Statements of the Company.

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 2023 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.

Further, we draw your attention to Note no 31(j) 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 Statement relate and the date of the report.

EMPLOYEES' REMUNERATION:

The statement of disclosure of remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("Rules") is provided in Annexure-I forming part of this Report. The information as per Rule 5(2) and Rule 5(3) of the Rules, forms part of this Report.

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

CONSERVATION OF ENERGY:

Since, energy conservation plays a significant role in maintaining pollution free environment, your company is committed towards environmental sustainability by conserving energy and resources. The Company gives highest priority to ensure environmental friendly practices at all factories and offices. These include reduction in power consumption & Water wastage and eliminating excess use of paper and using eco-friendly products etc.

Under energy saving drive company installed LED lights in different locations of plant, office light automation system and purchase electric forklift and electric vehicle for interunit shifting of manufactured Wheels to reduce the consumption of diesel. under water saving drive, water usage target was set for each plant for ensuring optimal use of water.

Within the Company, there are continuous efforts towards improving operational efficiencies, minimizing consumption of natural resources, energy & CO₂ emissions while maximizing production volumes.

TECHNOLOGY ABSORPTION:

During the year under review, the company has installed paintshop at factory 2 location. The paintshop is fully automated which will increase the productivity with less rejection. The Company has changed layout at casting inspection which helps to improve PTR (Pass Through Ratio) and Also company has changed layout at machining inspection area for easy material flow and reducing operation fatigue. Company has reduced cycle time of GDC (Gravity Die Casting) & CNC (Computer Numerical Control) process to improve productivity. Your company is continuously using MAT (Most Advanced Technology) process for new models. MAT process helps to improve material properties. Safety measure is greatly improved due to MAT (Flow foaming technology) process. The Company has installed MAC (Most Advanced Concept) which will reduce the production time and increase the productivity around 1.5 time of the existing capacity.

RESEARCH AND DEVELOPMENT:

Enkei is initiating towards obtaining laser marking facility. As per BIS (Bureau of Indian Standards) regulation company has started doing ISI marking inside the wheel as per the customer requirement.

FOREIGN EXCHANGE EARNINGS & OUTGO (CASH BASIS)

During the year, total inflows (on cash basis) in foreign exchange were ₹ 256.91 million and total outflows (on cash basis) in foreign exchange were ₹ 4,022.27 million

CORPORATE SOCIAL RESPONSIBILITY (CSR)

For the year under review the provisions of Section 135 of the Companies Act, 2013 are applicable to the company. Further, the Board of Directors has formed the CSR Committee & approved CSR Policy.

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

There was **no** CSR Expenditure incurred by the company during the financial year 2023 being not eligible as per the provision of Section 135 of Companies Act, for FY 2023.

PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEES

In compliance with the provisions of the Companies Act, 2013, the SEBI Listing Regulations and Guidance note on Board evaluation issued by SEBI, the Nomination and Remuneration Committee of the Board of Directors of the Company has carried out a formal annual evaluation of the Board, its committees and individual directors. Further, the Board of Directors have also carried out the evaluation of the Board as a whole, its committees, Chairman of thereof and all the Individual and Independent Directors on the Board.

The performance evaluation of the Board and its committees was made after seeking inputs from all the directors of the Company on the basis of effectiveness of board processes, information and functioning, degree of fulfillment of key responsibilities towards stakeholders, governance issues, effectiveness of control system in identifying material risks and reporting of material violations of policies and law, Board/Committees structure, composition and role clarity, experience and competencies, establishment and delineation of responsibilities to committees, frequency of meetings, circulation of agenda of the meetings, recording of minutes, adherence to law, Board/Committee culture and dynamics, quality of relationship between Board members and the Management, efficacy of communication with external stakeholders, etc.

The Board and the Nomination and Remuneration Committee (NRC) of the Company evaluated the performance of individual directors (including independent directors) based on criteria such as qualifications, experience, knowledge and competency, fulfillment of functions and integrity including adherence to Code of Conduct and Code of Independent Directors of the Company, safeguarding of the Confidential information and of interest of Whistle Blowers under Vigil Mechanism, compliance with policies and disclosures of interest and fulfillment of other obligations imposed by the law, contribution and initiative, availability, attendance, participation and ability to function as a team, commitment, independence, independent views and judgement and guidance/support to management outside board, etc.

A separate meeting of the Independent Directors ("Annual ID meeting") was convened on December 29, 2023, which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman of the Committees and 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. Post the Annual ID meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the Nomination and Remuneration Committee with the Board's covering performance of the Board as a whole; performance of the Non-Independent Directors.

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

DIRECTORS AND KMP'S APPOINTED / RESIGNED DURING THE YEAR:

During the financial year under review,

- Mr. Makoto Miura (DIN: 10269792), was appointed as alternate Director in the place of Mr. Junichi Suzuki, at the Board meeting held on August 3, 2023 with effect from August 7, 2023.

Thereupon, the intimation of relevant appointment of Alternate Director and required e-forms including necessary documents were filed with the registrar of companies (ROC) and Bombay stock exchange (BSE) in due course of time by the company.

There was no other change in composition of board, key managerial persons during Financial Year except above.

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

Mr. Junichi Suzuki, Non- Executive Director of the Company 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:

During the financial year under review, Company did not accept any deposits which are not in compliance with the requirements of Chapter V of The Companies Act, 2013.

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, 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 COMMITTEES:

The composition of all committees formed by board 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 December 31, 2023 is attached to the Balance Sheet.

CORPORATE GOVERNANCE:

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

OTHER DISCLOSURE:

In compliance with Section 134(3)(a) and 92(3) of the Act, the Annual Return is being uploaded on the website of the Company at www.enkei.in.

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

Kenjiro Hama
Managing Director
(DIN: 10516270)

Haresh Shah
Director
(DIN: 00228471)

Place: Pune
Date: February 23, 2024

ANNEXURE I

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:

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023 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 2023	% 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. Kazuo Suzuki (Managing Director)	14,984,679	0	23.33	During the Financial year 2023, revenue was increased. The remuneration of employees and Managerial Personnel is decided based on the individual performance, Company's overall performance, inflation, prevailing industry trends and benchmark. Please see the note
2.	Mr. Jitendra Parmar (Chief Financial Officer)	3,869,190	11.42	5.72	During the Financial year 2023, revenue was increased. The remuneration of employees and Managerial Personnel is decided based on the individual performance, Company's overall performance, inflation, prevailing industry trends and benchmark. Please see the note
3	*Mr. Sourav Chowdhury	1,208,667	13.20%	1.77	During the Financial year 2023, revenue was increased. The remuneration of employees and Managerial Personnel is decided based on the individual performance, Company's overall performance, inflation, prevailing industry trends and benchmark. Please see the note

- The median remuneration of employees of the Company during the financial year 2023 was ₹ 642,250/-.
- In the financial year 2023, there was decrease of 2.78% in the median remuneration of employees.

4. As on December 31, 2023, there were 616 permanent employees who were on the roll of the Company.
5. Relationship between average increase in remuneration and Company performance:

During FY 2023 the net profit of the Company has been increased by 67% in compare to previous year in line with the increased revenue from operation though there was significant increase of depreciation cost due to capital expenditure incurred during the year. Whereas there was decrease of median remuneration due to significant increase of number of employees.

6. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

There was no significant changes in the total remuneration of the Key Managerial Personnel(s) during the Financial year whereas Net profit has been increased by 67% in line with the increase of Revenue. The remuneration of employees and Managerial Personnel is decided based on the individual performance, Company's overall performance, inflation, prevailing industry trends and benchmark.

7. Managerial remuneration paid during the year under review is according to the Nomination and remuneration policy of the company.
8. The Company do not have any employee who was employed throughout the Financial Year or part thereof and was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of remuneration drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.
9. Further, as required under provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, a statement including the names and other details of the top ten employees in terms of remuneration drawn and the name of every employee, who were in receipt of remuneration not less than ₹ 10,200,000/per annum during the year ended December 31, 2023 or employee who were employed for a part of the Financial Year and were in receipt of remuneration of not less than ₹ 850,000/- per month during any part of the said year is annexed herewith.

Sl. No.	Name of the employees	Nationality	Designation	Remuneration received (In ₹ million)	Qualification	Experience in Years	Age in Years	Date of commencement of current employment	Last employment held
1.	Osamu Konishi	Japanese	Sr. Vice President	12.93	Mechanical Engineer	25	48	October 30, 2019	Enkei Group, Japan
2.	Tomoyoshi Seki	Japanese	General Manager	10.88	Mechanical Engineer	25	47	September 29, 2021	Enkei Group, Japan
3.	Yoshinobu Ichikawa	Japanese	Production Advisor	10.83	GDC	24	47	July 25, 2022	Enkei Group, Japan
4.	Hideki Mineno	Japanese	Vice President	11.51	Mechanical Engineer	36	60	September 21, 2021	Enkei Group, Japan

ANNEXURE II

Form No. MR-3

SECRETARIAL AUDIT REPORT

(For the period January 01, 2023 to December 31, 2023)

[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 from January 01, 2023 to December 31, 2023 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 January 01, 2023 to December 31, 2023, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:-:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not Applicable to the company during the audit period) ;**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 **(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 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021 **(Not Applicable to the company during the audit period) ;**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021 **(Not Applicable to the company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable to the company during the audit period)**
- vi) As informed to us no law was applicable specifically to the company.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meeting, Directors Report
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (LODR)

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The following changes took place:

- During the period under review, approval of the Board by way of Board resolution for for appointment of Mr. Makoto Miura as an alternate Director of the company in place of Junichi Suzuki.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. 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, there are no major events which had bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines, etc.

For Shailesh Indapurkar & Associates

Company Secretaries

CS Shailesh Indapurkar

Proprietor

ACS 17306

C. P. No: 5701

UDIN: A017306E003484341

Place: Pune

Date: February 23, 2024

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 efficiency 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: February 23, 2024

ANNEXURE III

SECRETARIAL COMPLIANCE REPORT
for the year ended December 31, 2023
Enkei Wheels (India) Limited
(CIN L34300PN2009PLC133702)

We M/s **Shailesh Indapurkar & Associates, Company Secretaries, Pune** have examined

- (a) all the documents and records made available to us and explanation provided by the CS Sourav Chaudhary ("The Manager"),
- (b) the filings/ submissions made by the manager to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended December 31, 2023 ("Review Period") in respect of compliance with the provisions of :
 - (a) the Securities and Exchange Board of India Act, 1992("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable during the review period);**
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable during the review period);**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 **(Not applicable during the review period);**
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities, 2021 **(Not applicable during the review period);**
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(Not applicable during the review period);**
- (h) Securities and Exchange Board of India (Prohibition off Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 and the Securities of Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable during review period);**
- (j) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

(k) and circulars/ guidelines issued thereunder; and based on the above examination, We hereby report that, during the Review Period:

(a) The manager of the listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matter specified below:

Sr. No	Compliance Requirement(Regulations/ Circular/guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
NIL			

(b) The Manager of the listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) There are no actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

(d) The Manager of the listed entity has taken following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended December 31, 2023	Actions taken by the Manager, if any	Comments of the Practicing Company Secretary on the actions taken by the REIT
	NIL	NIL	NIL	NIL

For Shailesh Indapurkar & Associates
Company Secretaries

CS Shailesh Indapurkar
Proprietor
ACS 17306
C. P. No: 5701
UDIN: A017306E003484352

Place: Pune

Date: February 23, 2024

ANNEXURE IV

ANNUAL REPORT ON CSR ACTIVITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amendments thereto. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at www.enkei.in. This Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as Annexure - IV to the Board's Report.

2. COMPOSITION OF CSR COMMITTEE:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Satyavara Prasad Garimella	Chairman- Independent Director	1	1
2.	Mr. Kazuo Suzuki	Member- Managing Director	1	1
3.	Ms. Smita Subhash Patti	Member- Independent (Woman) Director	1	1

Any two Directors shall form the Quorum of the Committee.

3. PROVIDE WEBLINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

The Company has framed a CSR Policy in compliance with the provisions of section 135 of the Companies Act, 2013 and the same is placed on the website of the Company and the web link for the same is <http://www.enkei.in/Investors.aspx?p=policiesdiv>.

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 IF APPLICABLE (ATTACH THE REPORT) –

Not applicable for the financial year 2023

5. DETAIL OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE (COMPANIES CORPORATE SOCIAL RESPONSIBILITY POLICY) RULE 2014, AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY: NOT APPLICABLE

Sr. No.	Financial Year	Amount available for set-off preceding financial year (in ₹)	Amount required to be set off for financial year, if any (in ₹)
1.	2023	N/A	N/A
Total		-	-

6. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

Average net loss of the company for last three financial years: ₹ 19.64 million.

7. a) Two percent of average net profit of the Company as per section 135(5): NIL

b) Surplus arising out of the CSR Projects or Programs or Activities of the previous financial years.: NIL

c) Amount required to be set-off for the financial year, if any: NIL

d) Total CSR Obligation for the Financial Year [7a+7b-7c]: NIL

8. a) CSR amount spent or unspent for the financial year: Not Applicable

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	N/A	N/A	N/A	N/A	N/A

b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.	Project duration.	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135 (6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency
			State	District					Name	CSR Registration number.
1.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(c) Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the project (₹ in Lakhs)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
			State	District			Name	CSR Registration number
1.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

d) Amount spent in Administrative Overheads: Not Applicable

e) Amount spent on Impact Assessment, if applicable: Not Applicable

f) Total amount spent for the Financial Year (8b+8c+8d+8e): Not Applicable

g) Excess amount for set off, if any: Not Applicable

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	N/A
(ii)	Total amount spent for the Financial Year	N/A
(iii)	Excess amount spent for the financial year [(ii)-(i)]	N/A
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N/A
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	N/A

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)		Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
					Name of the Fund	Amount Date of transfer (₹ in Lakhs)	
1.	N/A	N/A	N/A	N/A		N/A	N/A

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in Lakhs)	Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	Status of the project - Completed / Ongoing.
1.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial year (asset-wise details): Not Applicable

- Date of creation or acquisition of the capital asset(s). Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset. Not Applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Satyavara Prasad Garimella
Chairman, CSR Committee
DIN: 05344245

Mr. Kenjiro Hama
DIN: 10516270

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Amid a challenging global economic landscape and deteriorating geopolitical conditions, the Indian economy achieved remarkable growth. It is the fifth-largest economy in the world and is expected to retain its position as the fastest-growing major economy in the world. As per the first advance estimates released by the National Statistical Office (NSO), real GDP is expected to grow by 7.3% in FY 2024 as against 7.2% in FY 2023, driven by strong domestic consumption, a stable interest rate environment, strong investment activity and robust performance of the service sector. The Indian economy has weathered recent geopolitical upheavals, such as the prolonged Russia-Ukraine war and conflicts in the Middle East and the Red Sea route. These events have triggered ripple effects on global supply chains, leading to heightened logistical costs, inflation, and economic pressures in India.

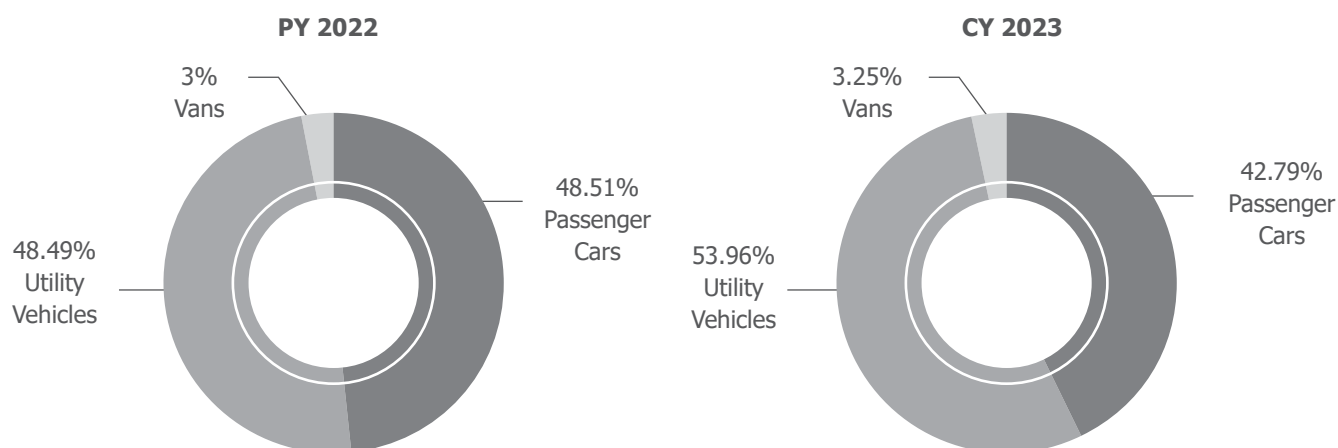
The Company has made its mark in the favourable economic landscape in India and remains committed to contributing its efforts towards the economic growth of the nation, striving to shape a more self-sufficient and prosperous India in the future. We aim to strengthen our local supply chains, invest in homegrown research and development and enhance our manufacturing capabilities to effectively cater to domestic demands.

Despite the supply-side challenges, total automobile despatches during the last financial year witnessed substantial growth across all segments. The demand for two-wheelers and passenger vehicles has surged, amid rising vehicle and fuel costs. According to data released by SIAM, two-wheeler sales reached 20,318,836 units and total passenger vehicle sales reached 4,634,023 units in 2023. Scooter sales increased by 2.24% to 6,065,602 units and other two-wheelers such as motorcycles and mopeds sales are at the same level as in the previous year.

4W Market Sales for CY 2023

The passenger vehicle (PV) segment witnessed a surge in domestic sales in CY 2023. As per SIAM, about 3.96 million passenger vehicles were sold in the domestic market in CY 2023, an increase of around 4.43% compared with sales of 3.79 million units in PY 2022. The export of passenger vehicles grew by 3.82% to 669,524 units in CY 2023 from 644,915 units in PY 2022. The strong performance of the PV segment was fuelled by positive consumer sentiments, new model launches and product upgrades from OEMs, greater availability, effective marketing, enticing offers and schemes, favourable wedding season and recovery in the rural market.

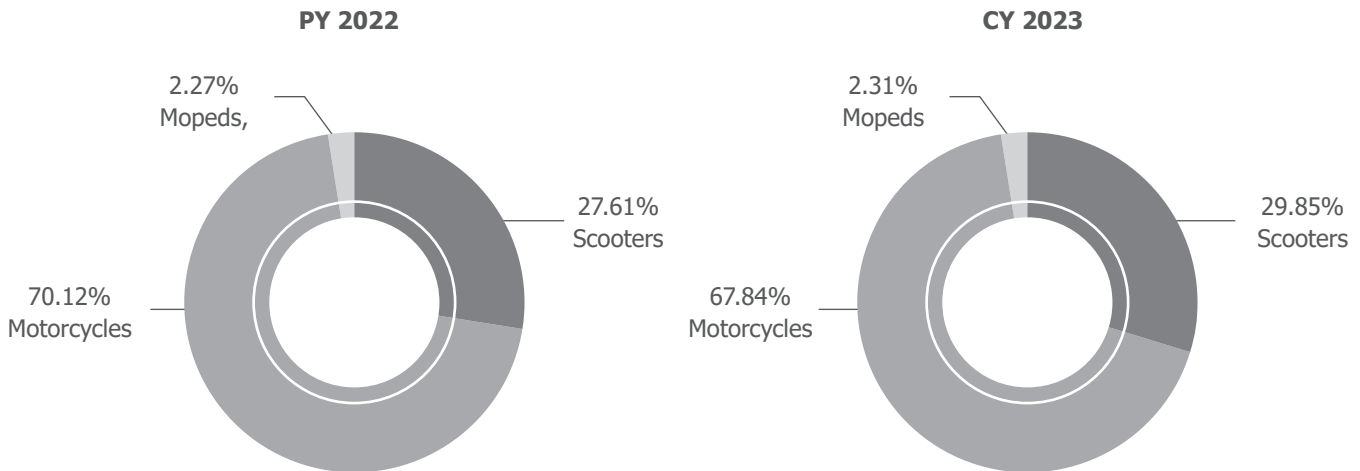
Domestic Sales & Exports of Passenger Cars, Utility Vehicles & Vans



2W Market Sales for CY 2023

As per SIAM, the domestic sale of two-wheelers (2W) increased by 9.12% y-o-y to 17.07 million units in CY 2023. The growth of the 2W segment is attributed to strong rural demand, supported by a good harvest and strong consumer sentiment, a positive marriage and festive season, new model launches and a shift towards premium options. The exports of two-wheelers dropped to 3.24 million units in CY 2023 from 4.05 million units in PY 2022.

Domestic Sales & Export of Motorcycles & Scooters



OUTLOOK

The Automobile sector anticipates robust growth in FY 2024, leveraging a weaker baseline and robust consumer demand across all segments. Post-pandemic, there is a strong pent-up demand in all segments and we expect the industry to maintain substantial volume growth.

Despite concerns about high inventory levels, the passenger vehicle segment is expected to witness growth in FY 2024, bolstered by new product launches and positive market sentiments. We expect the PV segment to achieve more than 10% growth in FY 2024 with order backlog supporting the demand. However, supply chain bottlenecks are expected to persist as critical factors affecting manufacturing.

The commercial vehicle segment is expected to grow over 15% in FY 2024, supported by higher spending on infrastructure, various government schemes for the automobile sector and the return of baseline capex for the sector.

We expect the 2 and 4-wheeler vehicles industries to strive for stabilisation around the current output levels and foresee an optimistic turn in FY 2024. We anticipate the industry to register a volume growth of 5-7% in FY 2024. The industry is expected to benefit from the government's continued support for the rural economy and emphasis on the growth of the agriculture sector in the Interim Budget 2024-25, aiming to elevate farmers' income, which will stimulate rural demand.

EXPANSION PROJECT

Factory 2 of the Company is fully equipped after the installation of a painting line at the site. This addition has increased the

manufacturing capacity to approximately 40,000 four-wheelers and around 170,000 painted wheels per month. The Company started utilising the paint line at Factory 2 in July 2023. This development is expected to improve the production volume and revenue of the Company. The Company is continuously striving to improve the production process, aiming to reduce production time, minimise wastage and increase overall productivity.

Furthermore, after the initiation of the MAC5 operation, the next planned project involves the conversion of the existing MAP3 line to MAT. The Company is planning to facilitate additional expansion of production capacity.

SWOT ANALYSIS

Strength

The strength of the Company lies in the upgradation of the production process with an adequate mix of newly implemented technologies, installation of machinery and expertise of the Company's personnel.

Weakness

High energy costs, labour costs and the increased price of raw materials, which may lead to higher carrying costs and working capital interest costs, are major constraints for the Company.

Opportunities

Consistent support through various government policies and interventions, coupled with the growing interest in electric vehicles and an increasing demand for design elements like alloy wheels in vehicles, highlights the positive trends. The government's strong focus on the manufacturing industry

and MSMEs, with initiatives such as the PLI scheme, 'Make in India', Ease of Doing Business, 'Atmanirbhar Bharat', etc. further contributes to the favourable environment.

Threats

A steep rise in raw material and energy costs and economic slowdown in domestic and international markets could potentially impede the Company's growth.

FINANCIAL OVERVIEW

Key financial ratios applicable to the Company

Particulars	FY 2022	FY 2023	% Change
Debtor Turnover	10.41	10.10	(3.00)
Inventory Turnover	11.54	10.44	(9.50)
Interest Coverage Ratio	0.94	1.85	97.40
Current Ratio	1.03	1.05	3.60
Debt Equity Ratio	0.60	0.61	0.80
Operating Profit Margin Ratio	6.76%	8.41%	24.41
Net Profit Margin Ratio	0.56%	1.63%	192
Return on Net Worth	1.73%	5.31%	206.6

Significant changes, i.e. change of 25% or more compared to FY 2023, are observed in:

Interest Coverage Ratio: In FY 2023, total interest cost decreased compared to the previous year, due to foreign

exchange gain against foreign exchange loss incurred in the previous year. The Operating Profit before Interest and Depreciation (EBID) has increased in line with the revenue growth. The Company continuously strives to increase the Operating revenue and profit while reducing interest costs through the repayment of long-term loans, aiming to improve the interest coverage ratio.

Net Profit Margin Ratio: In FY 2023, the Company achieved a good Net Profit in comparison to last Year. The Net profit has increased in line with the increased revenue, consequently, the net profit margin has increased compared to last year. The Company is consistently striving to increase Operating revenue and profit and reduce fixed costs through the repayment of long-term loans, aiming to further enhance the Net profit margin.

Return on Net Worth: In FY 2023, the Company achieved a good Net Profit in comparison to last year due to increased revenue from operations. Hence, the return on net worth has increased.

RISKS AND CONCERNS

The Company's business is exposed to various internal and external risks. Consequently, it has put in place robust systems and processes, along with appropriate review mechanisms to actively monitor, manage and mitigate these risks. Some of the key existing and emerging risks affecting the Company are as follows:

Risks Type	Key Risks	Impact on EWIL	Mitigation
Strategic Risk	Long-term growth dependent on capacity expansion	Capacity utilisation across the plants is gradually increasing, and with the business environment turning favourable, long-term growth will be dependent on capacity addition.	The Company has installed a new production unit i.e. MAC5 or Factory 2 and also installed a paint line at the Factory 2 location and the Company is in process to convert the MAP3 to MAT facility. This has resulted in an increased production capacity and an increased wheel painting capacity, aligning with the increased demand from the customers.
Operational Risk	Supply chain disruption	The raw material (Alloy) accounts for 55-60% of the cost, posing a significant risk as it may be susceptible to supply disruptions and market price volatility.	The Company maintains significant integration of raw materials for its operations. To achieve greater raw material security, the Company enters into an arrangement with its supplier. The Company is in the process of developing domestic suppliers to ensure uninterrupted production.
	Employee productivity and retention	Employee involvement and productivity are key factors for competitiveness in the industry. In a labour-intensive sector, employee welfare holds significance as it enhances employee retention and reduces the employee turnover ratio.	The Company is strongly committed to creating and providing a safe working environment for its employees and stakeholders. Focussed on retaining key talent, the Company employs various initiatives, including a heightened emphasis on employee engagement and an increased focus on providing learning opportunities, with allocated funds for training requirements.

Risks Type	Key Risks	Impact on EWIL	Mitigation
Financial Risk	Currency Volatility	Volatility in currency exchange movements resulting in transaction and translation exposure.	Quarterly assessment of foreign exchange exposure and strategies to mitigate any risk related to such exposure are conducted by the Audit Committee during the review of the Financial results of the Company.
	Debt Burden	The Company's outstanding indebtedness in an adverse environment can have a significant impact on financial flexibility and the business as a whole.	Close monitoring of debt profile and continuous effort to align costs with industry standards. The Company continuously endeavours to maintain an impeccable credit history, with quarterly reviews of financial leverage, striving to align with industry benchmarks.
	Credit Risk	Customer Default can pose a significant challenge and impact the bottom line of the Company.	Systems are in place to assess the creditworthiness of new as well as existing customers.
	Social Costs	The Company's assumptions in estimating social costs, like gratuity funding, are subject to capital market and actuarial risks. Any shortfall in these estimates could exert pressure on financial performance.	A framework has been implemented to manage social cost risks, ensuring that obligations remain affordable and sustainable while safeguarding assets against market exposure.
Legal Risk	Regulatory Environment and Compliance	The Company is subject to numerous laws, regulations and contractual commitments. Failure to adhere to them may adversely impact the Company.	The Company has policies, systems and procedures in place, with a strong commitment from the Board and the Executive Committee towards compliance.
Health and Safety Risk	Health and safety of the workforce	Managing safety and health is a top priority for the Company. A continuous Risk Assessment process is implemented, followed by measures to effectively control them, ensuring the safety and well-being of the employees at work. A safe workplace and good health of employees contribute to enhanced productivity.	The Company strictly follows the rules and procedures outlined by its robust health and safety management systems. Regular training sessions are conducted to raise awareness of safe working conditions and instil confidence in the employees. Furthermore, the Company conducts regular health checkups and maintains internal health centres to monitor the well-being of its employees.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your 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 has been conducted to monitor the Company's expanding size, corresponding needs, compliance with legal obligations and adherence to the Company's policies and procedures. This ensures a high degree of system-based checks and control, with continuous monitoring of the effectiveness of these controls.

An independent agency has been appointed to audit the internal control system in consultation with statutory auditors. The audit

committee considers suggestions, improvements and concerns raised by internal auditors and ensures their implementation in accordance with the committee's instructions.

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

Based on its evaluation, the Audit Committee has concluded that the internal financial controls were adequate and operating effectively as of December 31, 2023.

HUMAN RESOURCES

Operating in a people-intensive sector, the Company highly values its human capital and recognises the pivotal role it plays in its daily operations. The Company's core belief is 'Prepare for the next'. To Prepare for the next, the Company implements various measures to recruit, train and retain the best talent. Embracing the principle of inclusive growth for its employees, the Company undertakes extensive learning and development measures. Furthermore, a dedicated management team ensures that the system provides adequate space, freedom and guidance to unleash the full potential of employees, along with ample opportunities for their personal growth within the organisation. Continuous monitoring and periodic reviews keep the system updated and reward policy ensures the smooth functioning of the system.

As on December 31, 2023, there were 616 permanent employees on the payroll of the Company.

CAUTIONARY STATEMENT

The Management Discussion and Analysis Report containing your Company's objectives, projections, estimates and expectations may incorporate certain statements, which are forward-looking within the meaning of applicable laws and regulations. The statements in this Report could differ materially from those expressed or implied elsewhere. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in governmental regulations, tax regimes, forex markets, economic developments within India and the countries within which the Company conducts business besides other incidental factors.

CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy in relation to Corporate Governance is to ensure transparent disclosures and reporting that conforms fully to laws, regulations and guidelines and to promote ethical conduct throughout the organization with the primary objective of enhancing stakeholders' value while being a responsible corporate citizen. The Company has always thrived towards building trust with shareholders, employees, customers, suppliers, regulators, and other stakeholders based on the principles of good Corporate Governance.

The Company has adopted EWIL's Code of Conduct for its officers and Directors. In addition, the Company's Independent Directors adhere to "Code for Independent Directors" provided in Schedule IV of the Companies Act, 2013 ("the Act") which suitably incorporates the duties and responsibilities of Independent Directors as laid down in the Act. The Company's corporate governance philosophy has been further strengthened through Code of Conduct for Prevention of Insider Trading and the Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (UPSI).

The Company is in compliance with the requirements stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with

regard to Corporate Governance. This report is to be read with Board's Report and all its annexures for more clarity on Corporate Governance practices of the Company.

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.

The Company requires skills/expertise/competencies in the areas of Strategy, Finance, Accounting, Economics, legal and regulatory matters, Sustainability, Operations of the Company's businesses to efficiently carry on its core businesses of manufacturing of alloy wheels. All the above required skills/expertise/competencies are available with the Board.

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.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, expertise, diversity and independence.

Matrix setting out the core skills /expertise/competence of Board of Directors:

Skill Area	Description	E (Essential) / D (Desirable)	Matrix setting out the core skills/ expertise/competence of the Board of Directors						
			Mr. Junichi Suzuki	*Mr. Makoto Miura	Mr. Shailendrajit Rai	Mr. Kazuo Suzuki	Mr. Haresh Shah	Mr. Satyavara P. Garimella	Ms. Smita Subhash Patti
Strategy and planning	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of ENKEI's relevant policies and priorities.	E	Y	Y	Y	Y	Y	Y	Y
Policy Development	Ability to identify key issues and opportunities for ENKEI and develop appropriate policies to define the parameters within which the organisation should operate.	E	Y	Y	Y	Y	Y	Y	Y
Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise.	D	Y	Y	Y	Y	Y	Y	Y
	Ability to identify key risks to ENKEI in a wide range of areas including legal and regulatory compliance.	D	Y	Y	Y	Y	Y	Y	Y
	Experience in the appointment and evaluation of Senior Executive Managers	D	Y	Y	Y	Y	Y	Y	Y
Financial/ Accounting Performance	Qualifications or experience in accounting and/or finance and the ability to: <ul style="list-style-type: none"> Analyse key financial statements; Critically assess financial viability and performance; Contribute to strategic financial planning; Oversee budgets and the efficient use of resources; Oversee funding arrangements and accountability 	E	Y	Y	Y	Y	Y	Y	Y

Skill Area	Description	E (Essential) / D (Desirable)	Matrix setting out the core skills/ expertise/competence of the Board of Directors							
			Mr. Junichi Suzuki	*Mr. Makoto Miura	Mr. Shailendrajit Rai	Mr. Kazuo Suzuki	Mr. Haresh Shah	Mr. Satyavara P. Garimella	Ms. Smita Subhash Patti	
Legal	Qualifications and experience in legal practice with emphasis on (Any one or More): • Manufacturing Industry • Employment law • Corporate Law	E	Y	Y	Y	Y	Y	Y	Y	
Sustainability	Qualifications and experience in sustainable development with emphasis on (Any one or More): • Green Energy • Environmental law	D	Y	Y	Y	Y	Y	Y	Y	

*Mr. Makoto Miura was appointed as an alternate Director in place of Mr. Junichi Suzuki w.e.f. August 07, 2023

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*		Name of Listed / Public company in which person is director	Nature of directorship in Listed / Public company	No. of Committees of other Companies in which Member	No. of Committees of other Companies in which Chairman	No. of Shares held in the Company as at December 31, 2023
			Public/	Private					
Mr. Kazuo Suzuki	Executive Managing Director	None	0	0	NA	NA	0	0	NIL
Mr. Junichi Suzuki	Promoter & Non-Executive	None	1	1	Alicon Castalloy Limited	NED	0	0	NIL
Mr. Shailendrajit Rai	Non-Executive Director	None	3	4	• Alicon Castalloy Limited. • Atlas Castalloy Limited	CMD ED	2	0	262,674
Dr. Haresh Shah	Independent & Non- Executive Director	None	0	5	NA	NA	0	0	NIL
Mr. Satyavara P. Garimella	Independent & Non-Executive Director	None	0	0	NA	NA	0	0	NIL
Ms. Smita Subhash Patti	Woman & Independent Director	None	0	0	NA	NA	0	0	NIL
**Mr. Makoto Miura	Alternate Director	None	0	1	NA	Alternate Director	0	0	NIL

* Directorship held in Foreign Companies, Section 8 Companies and Enkei Wheels (India) Limited are excluded.

** Mr. Makoto Miura was appointed as an alternate Director in place of Mr. Junichi Suzuki w.e.f. August 07, 2023

ED: Executive Director,

NED: Non-Executive Director,

CMD: Chairman and Managing Director

c) Board Meetings and Annual General Meetings:

During the year 2023, 4 (Four) meetings of the Board of Directors of the Company were held on following dates:

February 23, 2023, April 28, 2023, August 03, 2023, October 30, 2023

The previous Annual General Meeting was held on June 07, 2023.

Details regarding the attendance of Directors at the Board Meetings and the Annual General Meeting held during the year 2023 are presented in the following table.

Name of Directors	Number of Meetings entitled to attend	Total Attendance	Whether Last AGM Attended
Mr. Kazuo Suzuki	4	4/4	Yes
Mr. Junichi Suzuki	4	1/4	No
Mr. Shailendrajit Rai	4	3/4	NO
Dr. Hareesh Shah	4	4/4	Yes
Mr. Satyavara P. Garimella	4	4/4	Yes
Ms. Smita Subhash Patti	4	4/4	Yes
*Mr. Makoto Miura (Alternate Director)	1	1/1	No

* Mr. Makoto Miura was appointed as an alternate Director in place of Mr. Junichi Suzuki w.e.f. August 07, 2023 and attended Board meeting held on October 30, 2023 on behalf of Mr. Junichi Suzuki.

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. The Code is available on the website of the Company at <http://www.enkei.in/Investors.aspx?p=policiesdiv>.

e) Board Procedure

All the Directors on the Board are informed the date and venue of 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.

F) Certificate from Practicing Company Secretaries

M/s. Shailesh Indapurkar & Associates, practicing company Secretaries has issued a certificate as required under the Listing regulations, confirming that none of the director on the board have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. This certificate is enclosed to with this section as **Annexure A**.

3. BOARD COMMITTEES

In compliance with both the mandatory and non-mandatory requirements under the SEBI (Listing Obligations and Disclosure requirements) Regulations 2015, and the applicable laws, the Board has constituted the following committees:

- I. Audit Committee
- II. Nomination & Remuneration Committee
- III. Stakeholders Relationship Committee
- IV. Corporate Social Responsibility (CSR) Committee

The Members of the Board, in consultation with the respective chairmen of these committees, determine 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 total three members including Dr. Hareesh Shah, Chairman of the Committee and Mr. Satyavara P. Garimella, both being Independent Directors and Mr. Kazuo Suzuki, 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 2023, 4 (Four) Audit Committee Meetings were held on following dates:

February 23, 2023, April 28, 2023, August 03, 2023, October 30, 2023

Particulars of attendance of Audit Committee Members at the Audit committee Meetings held during the Financial Year 2023:

Name of Directors	Total Number of Attendance
Dr. Haresh Shah	4/4
Mr. Kazuo Suzuki	4/4
Mr. Satyavara P. Garimella	4/4

The Brief terms of reference of Audit Committee includes:

- To oversight the financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- To recommend for appointment, remuneration and terms of appointment of auditors
- To approve payment of fees to statutory auditors for any other services rendered by the statutory auditors.
- To review, with the management, the annual/ quarterly financial statements and auditor's report thereon before submission to the board for approval.
- To approve related party transaction and oversight them.
- To consider, review, approve all allied matters that are specified by Companies Act 2013 and SEBI (LODR) 2015.

Powers of Audit Committee

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

(ii) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of total three members including Dr. Haresh Shah, Chairman of the Committee, Mr. Shailendra Rai and

Mr. Satyavara P. Garimella, being all Non-Executive Directors of the Company. The composition is in conformity with the Companies Act, 2013 and SEBI (Listing Obligation & Disclosure) Regulations, 2015.

During the Financial Year 2023, 2 (Two) Nomination and Remuneration Committee Meetings were held on following dates:

February 23, 2023, October 30, 2023

Particulars of attendance of Nomination and Remuneration Committee Meetings held during the Financial Year 2023:

Name of Directors	Total Number of Attendance
Dr. Haresh Shah	2/2
Mr. Satyavara P. Garimella	2/2
Mr. Shailendrajit Rai	2/2

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Section 178 of the Act and Regulation 19 of the Listing Regulations, besides other terms as referred by the Board.

The terms of reference of this committee includes:

- 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.

Nomination and Remuneration Policy:

The Nomination and Remuneration Policy ("Policy") is formulated by the NRC and approved by the Board of Directors of the Company. The Policy of the Company as duly amended has been uploaded on the website of the Company under the web link http://www.enkei.in/download/others/Nomination_Remuneration_Policy.pdf

Performance Evaluation of Independent Directors

The NRC evaluates the performance of Independent Directors on the basis of the following criteria:

- Qualification
- Experience
- Knowledge and Competency

- Fulfilment of functions and integrity including adherence to the Code of Conduct and Code of Independent Directors of the Company, safeguarding of the confidential information and the interest of Whistle Blowers under Vigil Mechanism, compliance with the policies and disclosure of interest and fulfilment of other obligations imposed by the Law
- Contribution and Initiative
- Availability, attendance, participation and ability to function as a team
- Commitment
- Independence
- Independent views and judgement and Guidance/support to Management outside board

On the basis of the report of the performance evaluation of Independent Directors, the NRC determines whether to extend or continue the terms of appointment of Independent Directors.

Senior Management:

Pursuant to Regulation 16 (1) (d) of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has the following senior management:

1. Mr. Sandeep Ohol, Assistant Vice president Operation
2. Mr. Jitendra Parmar, Chief Financial Officer
3. Mr. Sourav Chowdhury, Company Secretary

During the period under review there is no change in senior management.

Details of remuneration paid to Managing Director:

During the year 2023, the Company has paid remuneration by way of salary, perquisites, and allowances paid to the Managing Director is ₹ **14,984,679** per annum.

Details of Remuneration paid to Managing Director (MD), during the financial year ended December 31, 2023:

Particulars	Mr. Kazuo Suzuki, MD
Basic Salary	1,944,000
Bonus	36,000
Special Allowance	5,834,071
Perquisites	2,203,984
Perquisites- Income tax	4,966,624
Stock Options	Nil
Total	14,984,679
Date of Original appointment	April 01, 2019
Tenure Up to	February 23, 2024

- **Details of sitting Fees paid to the Non-Executive/ Independent Directors for attending the Board and Committee Meetings during the financial year 2023.**

Name of the Independent & Non – Executive Director	Sitting Fees (In ₹)
Dr. Haresh Shah	60,000
Mr. GSV Prasad	65,000
Ms. Smita Patti	30,000
Mr. Shailendrajit Rai	25,000
Mr. Junichi Suzuki	5,000
Mr. Makoto Miura (Alternate Director)	5,000

(iii) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was constituted as per the provision of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The detailed terms of reference of the Committee are as under:

- (i) To consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates etc.;
- (ii) To review measures taken for effective exercise of voting rights by shareholders;
- (iii) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

During the year, the Stakeholders Relationship Committee met 1 (One) time on December 29, 2023 in which all the members were present.

Particulars of attendance of Stakeholders Relationship Committee Meetings held during the Financial Year 2023:

Name of Directors	Total Number of Attendance
Mr. Satyavara P. Garimella, Chairman	1/1
Dr. Haresh Shah,	1/1
Mr. Kazuo Suzuki	1/1

No complaints received from the shareholders during the year Financial Year 2023.

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

Name and designation of Compliance Officer:

Mr. Sourav Chowdhury, was Company Secretary and Compliance Officer of the company during the FY 2023.

VI) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility Committee is constituted in concurrence with the provision of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, ("CSR Rules").

The terms of reference of CSR Committee includes:

- (i) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in the area or subject specified in Schedule VII of the Companies Act 2013;
- (ii) recommend the amount of expenditure to be incurred on the CSR activities;
- (iii) monitor the Corporate Social Responsibility Policy of the company from time to time;
- (iv) discharge such duties and functions as indicated in the section 135 of the Company Act 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time.

oversees, inter-alia, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, ("CSR Rules"), which includes formulating and recommending to the Board of Directors, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Act; the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company.

5. GENERAL BODY MEETINGS

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

Sr. No.	Nature of Meeting	Date	Time	Venue	No. of Special Resolution(s) Passed
1	Annual General Meeting	June 07, 2023	12:30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal – Shirur, Pune -412208	1
2	Annual General Meeting	June 16, 2022	12:30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal – Shirur, Pune - 412208	1
3	Annual General Meeting	May 31, 2021	10.30 AM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal – Shirur, Pune -412208(Through Video Conference)	1

During the Financial Year 2023, 1 (One) CSR Committee Meeting was held on December 29, 2023 in which all the members were present.

Particulars of attendance of Corporate Social Responsibility Committee Meetings held during the Financial Year 2023:

Name of Directors	Total Number of Attendance
Mr. Satyavara P. Garimella,	1/1
Mr. Kazuo Suzuki,	1/1
Ms. Smita Patti	1/1

The Corporate Social Responsibilities Policy ("Policy") is formulated by the CSR Committee and approved by the Board of Directors of the Company. The Policy of the Company as duly amended has been uploaded on the website of the Company under the web link <http://www.enkei.in/download/others/Corporate%20Social%20Responsibility%20Policy.pdf>

For the year under review the spending of money for CSR activity under provisions of Section 135 of the Companies Act, 2013 was not applicable to the company.

4. 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 December 29, 2023 to consider the business as required under the Companies Act, 2013 in which all the independent directors were present.

6. DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING:

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting are provided in the explanatory statement annexed to the Notice of Meeting.

7. MEANS OF COMMUNICATION:

I) Financial results:	Quarterly and annual financial results are published in Business Standard (English), Loksatta (Marathi) also forwarded to the Stock Exchanges.
ii) All important information relating to the Company, its performance, shareholding pattern, quarterly results, press releases and other information as per the SEBI Regulations are regularly posted on Company's website and also forwarded to the Stock Exchanges.	Website of company: www.enkei.in
iii) News releases:	All official news releases are sent to stock exchanges as well as displayed on the Company's website.

8. GENERAL SHAREHOLDER INFORMATION:

(i) Annual General Meeting

Date and Time : May 22, 2024, Wednesday 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 of January 01 to of December 31 of every calendar year.

(iii) Date of Book closure : May 16, 2024 to May 22, 2024 (Both days inclusive)

(iv) Dividend payment date : N.A.

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

(ix) Market Price Data for the Year 2023:

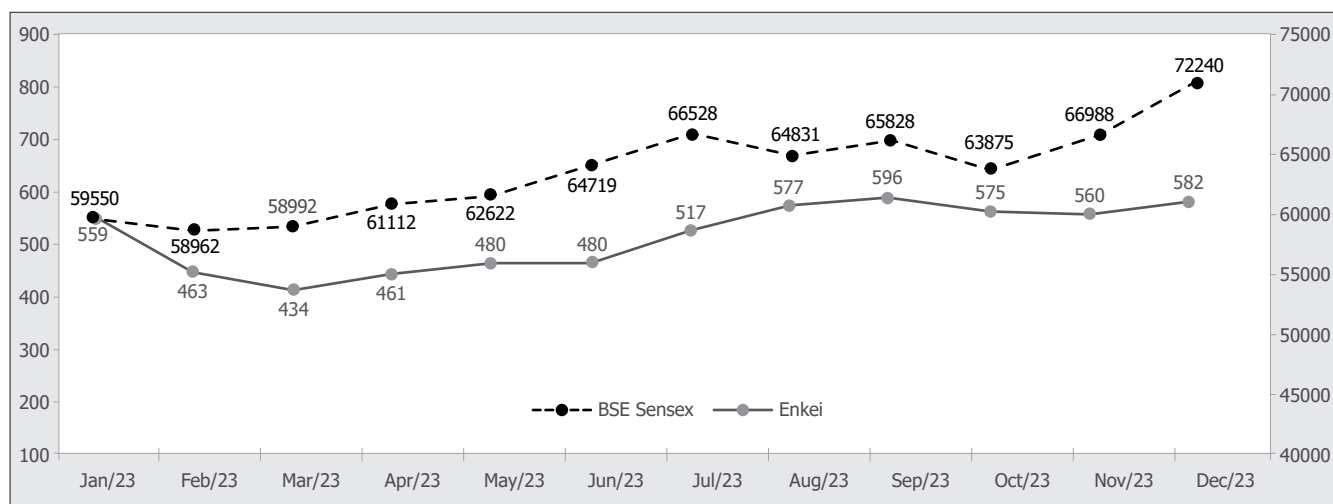
The high and low market price and the volume of Enkei's shares traded on the BSE Limited during the period from January 01, 2023 to December 31, 2023 are presented in the following table.

BSE SENSEX			
Month	High	Low	Close
Jan-23	61,344	58,699	59,550
Feb-23	61,682	58,796	58,962
Mar-23	60,498	57,085	58,992
Apr-23	61,209	58,793	61,112
May-23	63,036	61,002	62,622
Jun-23	64,769	62,359	64,719
Jul-23	67,619	64,836	66,528
Aug-23	66,658	64,724	64,831
Sep-23	67,927	64,818	65,828
Oct-23	66,592	63,093	63,875
Nov-23	67,070	63,550	66,988
Dec-23	72,484	67,149	72,240

Market Price Data: High/Low in each month of FY, 2023 on the BSE Limited, Mumbai

EWIL				
Month	High Price	Low Price	Close Price	Volume of Shares traded in month
Jan-23	599	541	559	11,178
Feb-23	600	453	463	44,248
Mar-23	500	416	434	37,031
Apr-23	510	428	461	24,428
May-23	549	450	480	29,265
Jun-23	499	441	480	29,432
Jul-23	545	481	517	44,089
Aug-23	626	515	577	106,033
Sep-23	630	559	596	42,964
Oct-23	640	568	575	45,590
Nov-23	592	521	560	25,538
Dec-23	605	505	582	45,777

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



Registrars and share transfer agents:

The Company had appointed M/s. Link Intime India Private Limited (Earlier known as Universal Capital Securities Private Limited (RTA) who has merged with Link Intime India Private Limited effective from December 22, 2023 as per the Order dated December 18, 2023 passed by Mumbai Bench, National Company Law Tribunal (NCLT)). Share Transfers, dematerialization of shares and all other investor related activities are attended and processed at the office of the R & T Agent at the following address:-

Link Intime India Private Limited.

C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai- 400 083

Tel: +91 22 49186000 - 79

Fax: +91 022 - 4918 6060

Website: www.linkintime.co.in

(x) Share Transmission System

Transmission of shares are processed by the Share Transfer Agent and approved by the Stakeholder Relationship Committee which meets at frequent intervals. Share transmissions are registered and returned generally within 7 days from the date of receipt if the specified documents are completed in all respects.

SEBI, since April 01, 2019 barred transfer of shares in physical of the listed companies and mandated transfer through De-Mat only. However, investors are allowed to hold the shares in physical form. Necessary communications were sent to the shareholders as per the guidelines of SEBI.

Distribution and Shareholding Pattern as on December 31, 2023:

SHARE OR DEBENTURE HOLDING NOMINAL VALUE OF	SHARE HOLDERS		SHARES HOLDINGS	
	NUMBER	% TO TOTAL	NUMBER	% TO TOTAL
UPTO - 500	3243	85.3421	395,166	2.1984
501 - 1,000	239	6.2895	189,292	1.0531
1,001 - 2,000	143	3.7632	216,957	1.2070
2,001 - 3,000	47	1.2368	119,841	0.6667
3,001 - 4,000	31	0.8158	108,376	0.6029
4,001 - 5,000	22	0.5789	102,552	0.5705
5,001 - 10,000	34	0.8947	231,266	1.2866
10,001 AND ABOVE	41	1.0789	16,611,445	92.4147
TOTAL	3,800	100	17,974,895	100

(xi) Dematerialization of shares and liquidity

As on December 31, 2023 the equity shares of the Company were dematerialized with NSDL and CDSL as follows:

Particulars	No. of records (allottees)	No. of shares (Quantity)	% holding
(a) Electronic form - NSDL	1610	16,452,633	91.53
(b) Electronic form - CDSL	1956	1,444,050	8.03
(b) Physical form	234	78,212	0.44
Total (A)	3,800	17,974,895	100

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

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

(xiii) Commodity price risk or Foreign exchange risk and hedging activities:

- During the year 2023, 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. 31(d) of the Financial Statements.

2. Risk management policy of the listed entity with respect to commodities including through hedging: Company does not have hedging policy for commodities, however no significant risk is assumed by the company as the final product price is adjusted with its input material price in regular interval.
3. Exposure of the Company to commodity and commodity risks faced by the entity throughout the year:
 - a) Total exposure of the listed entity to commodities in ₹: **Nil.**
 - b) Exposure of the listed entity to various commodities:

Commodity Name	Exposure in ₹ towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
NA	NA	NA	NA	NA	NA	NA	NA

(xiv) Plants Locations of plants

Factory 1 : Gat No. 1425, Village Shikrapur, Taluka Shirur, Pune- 412 208.

Factory 2 : Gat No. 1421-24, Village Shikrapur, Taluka Shirur, Pune- 412 208

(xv) Address for correspondence

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

Link Intime India Private Limited.
C 101, 247 Park, LBS Marg, Vikhroli (West),
Mumbai- 400 083
Tel: +91 22 49186000 - 79
Fax: +91 022 - 4918 6060
Website: www.linkintime.co.in

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

- (III) Company Address for correspondence:

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

- (IV) SEBI Scores platform:

The Company is registered in SEBI Complaints Redressal System SCORES). The investors can send

their complaints through SCORES also. For this the investors has to visit <https://www.scores.gov.in>.

9. OTHER DISCLOSURES:

1. All material Related Party Transaction with promoter's i.e Enkei Corporation Japan are in Compliance with Companies Act 2013 and SEBI (LODR) 2015. There are no materially significant transactions made by the Company with its Directors, Key Managerial Persons 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.

3. Modified opinion(s), if any in Audit Report:

The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company.

Place: Pune
Date February 23, 2024

Kenjiro Hama
Managing Director
(DIN: 10516270)

DECLARATION FOR THE COMPLIANCE WITH CODE OF CONDUCT

Pursuant to Regulation 34(3) read with Schedule V Para D of SEBI (Listing Obligations & Disclosure requirements) Regulations, 2015, I, Kazuo Suzuki, 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: January 19, 2024

Kazuo Suzuki
(Managing Director)
(DIN : 08350372)

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of
Enkei Wheels (India) Limited

Independent Auditors' Certificate on Compliance of conditions of Corporate Governance

1. We, Kirtane & Pandit LLP, Chartered Accountants, the Statutory Auditors of Enkei Wheels (India) Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on December 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V to the Listing Regulations during the year ended December 31, 2023.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on Use

9. The certificate is issued solely for the purpose of complying with the aforesaid Listing Regulations and may not be suitable for any other purpose.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No. 105215W/W100057

Anand Jog

Partner

Membership No.: 108177

UDIN: 24108177BKAKGW1719

Place: Pune

Date: February 23, 2024

CEO/CFO CERTIFICATION TO THE BOARD

We, ***Kazuo Suzuki, 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 December 31, 2023 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 : February 23, 2024

SD/-
Kazuo Suzuki
Managing Director
(DIN: 08350372)

SD/-
Jitendra Parmar
Chief Financial Officer

*Resignation from Mr. Kazuo Suzuki, was accepted by Board of Directors vide their meeting held on February 23, 2024 before considering the Financial Result for the Quarter and year ended on December 31, 2023, at the same meeting.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Enkei Wheels India Limited,
Gat No. 1425, Village Shikrapur, Taluka-Shirur,
Pune-412208

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Enkei Wheels India Limited** having CIN L34300PN2009PLC133702 and having registered office at Gat No. 1425, Village Shikrapur, Taluka-Shirur, Pune-412208 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on December 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	SHAIENDRAJIT CHARANJIT RAI	00050950	March 30, 2009
2	HARESH BABULAL SHAH	00228471	July 15, 2009
3	JUNICHI SUZUKI	02628162	March 24, 2010
4	SATYAVARA PRASAD GARIMELLA	05344245	July 24, 2012
5	KAZUO SUZUKI	08350372	April 01, 2019
6	SMITA SUBHASH PATTI	09150264	April 28, 2021
7	MAKOTO MIURA	10269792	August 07, 2023*

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 Shailesh Indapurkar & Associates
Company Secretaries

CS Shailesh Indapurkar
Proprietor
Membership No: ACS17306
CP No: 5701
UDIN: A017306E003484330

Place: Pune
Date: February 23, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of
Enkei Wheels (India) Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Ind AS Financial Statements of **Enkei Wheels (India) Limited** ("the Company"), which comprise the Balance Sheet as at December 31, 2023, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and Notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition: Revenue from sale of goods is recognised when control of the products is transferred to the customer and when there are no unfulfilled obligations.</p> <p>The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms and conditions.</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/ rebates and any taxes or duties collected on behalf of the government such as goods and services tax.</p>	<p>Our audit approach consisted of testing of the design and operating effectiveness of the internal controls and substantive testing in respect of revenue recognition as follows:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the accounting policies related to revenue recognition, including those relating to price increase/decrease with reference to the applicable accounting standards. Testing the revenue transactions recognized during the year by verification of underlying documents on a sample basis. Inspecting key customer contracts/ purchase orders on a sample basis to identify terms and conditions relating to goods acceptance and price adjustments.

Sr. No.	Key Audit Matter	Auditor's Response
	<p>Revenue is only recognised to the extent that is highly probable a significant reversal will not occur.</p> <p>Revenue recognition has been identified as a key audit matter since the management considers revenue as a key metric for evaluation of performance.</p>	<ul style="list-style-type: none"> • Testing the supporting documents on a sample basis, for sales transactions, including provisions for rate differences recorded during the period closer to the year end and subsequent to the year end to determine whether revenue was recognized in the correct period. • Performing analytical procedures on current year revenue based on trends and where appropriate, conducting further enquiries and testing.
2.	<p>Accuracy and Completeness of Capital Expenditure</p> <p>Capital Expenditure ("capex") has been considered as a key audit matter in view of the complexity and volume of transactions, and the fact that it comprises a critical element of costs for the Company.</p>	<p>Our audit approach consisted of testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • Review of capex business process, flow of documents/information and their controls effectiveness. • Substantive tests on random sampling basis for all the major additions, deletions to the assets by applying all the characteristics of capital expenditure, proper classification of the same, with reference to the company's policy and accounting standards. • Scrutiny of relevant general ledger accounts to assess if the expenditure has been appropriately segregated into revenue and capital expenditure. • Review of closing balances of Capital Work-in-Progress with a view to confirming that the same relates to such capital items which have not yet been put to use by the management. • Review of physical verification conducted by internal auditors, with respect to book records on a test check basis. • Review of compliance done with respect to Companies Act, Income Tax Act, Customs duty, and GST Act, particularly for accounting of additions, deletions, depreciation and of carrying amounts thereof.
3.	<p>Provision for sales related obligations.</p> <p>As at December 31, 2023, the Company carries provisions for sales related obligations amounting to ₹ 36.57 million (Refer Note 21).</p> <p>Such provision is recognised based on management estimation of the average metal rate for the previous quarter as declared by London Metal Exchange. These estimates require high degree of management judgement with respect to the underlying assumptions, thus giving rise to inherent subjectivity in determining the amounts to be recorded in the financial statements.</p> <p>Considering the materiality of the above matter to the financial statements, complexities and judgement involved, and the significant auditor attention required to evaluate such management's judgement, this has been identified as a key audit matter for current year audit.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ol style="list-style-type: none"> a) Obtained an understanding from the management with respect to process and controls followed by the Company to ensure appropriateness of recognition, measurement, and completeness of the sales related obligations. b) Tested the management's computation of sales related obligations by evaluating the reasonability of the key assumptions, reviewing the contractual terms, comparing the assumptions to historical data, and analysing the expected costs of incidences. c) Traced the inputs used in the computations, to the relevant accounting records, including discussions with the relevant management personnel and tested the arithmetical accuracy of the computation; and d) Compared the amounts recognized as provision in the past years with the corresponding settlements and assessed whether the aggregate provisions recognized as at the current year-end were sufficient to cover expected costs considering known and expected incidences.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as

a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue

as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. A statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of

Section 143 (11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit 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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company as far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with in this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors for the year ended December 31, 2023, and taken on record by the Board of Directors, none of the directors are disqualified as on December 31, 2023 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.**" Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed pending litigations which may have an impact on its financial position. (Refer Note 31 (g) to the Financial Statements)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there are no material foreseeable losses.
 - iii. There is no amount that is required to be transferred to Investor Education and Protection Fund by the Company.

- iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended.
- a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement.
- d. With respect to clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, the requirement under proviso to Rule 3(1) of Companies (Accounts) Rules, 2014 of mandatory audit trail in the Company accounting software is postponed to financial year commencing on or after April 01, 2023 as per notification G.S.R. 235(E) dated March 31, 2022 as issued by Ministry of Corporate Affairs. Accordingly, reporting for the same is not applicable.
- e. The Company has not declared and paid any dividend during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) which are required to be commented upon by us.

For Kirtane & Pandit LLP

Chartered Accountants
Firm Registration No. 105215W/W100057

Anand Jog

Partner

Place: Pune

Date: February 23, 2024

Membership No.: 108177

UDIN: 24108177BKAKGV3378

ANNEXURE “A”

TO THE INDEPENDENT AUDITOR’S REPORT

The annexure referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors’ Report to the members of the Company on the Financial Statements for the year ended December 31, 2023, we report that:

- (i) In respect of the Company’s Property, plant, and equipment:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant, and equipment.
 - (b) The Company has a regular program of physical verification of property, plant, and equipment wherein all items of property, plant and equipment are verified in a phased manner over a period not exceeding 3 years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, as informed to us by the management, physical verification of fixed assets due for verification, was under process and could not be completed during the year ended December 31, 2023.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (comprising of freehold land) are held in the name of the Company.
 - (d) 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 revalued its Property, Plant and Equipment during the year. Accordingly, provisions of Para 3(i) (d) of the Order are not applicable to the Company.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) As informed to us, the inventory (including stock lying with third parties) has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the basis of security of current assets. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) According to the information, explanations given and represented to us by the management of Company, during the year, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships, or any other parties. Accordingly, provisions of Para 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us:
 - (a) The Company has not given loans, made investments, or given guarantees which are covered by the provisions of Section 185 Act. Accordingly, provisions of Para 3(iv) of the Order are not applicable to this extent.
 - (b) In respect of other loans and investments made by the Company, provisions of section 186 of the Companies Act, 2013 have been complied with.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public under section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under or neither has amounts which are deemed to be deposits. As informed and represented to us, no order has been passed against the Company by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other court or any other tribunals during the year. Accordingly, provisions of Para 3 (v) of the order are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act, for the

any of the products sold by the Company. Accordingly, provisions of Para 3(vi) of the Order are not applicable to the Company.

(vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company:

(a) amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including

Provident Fund, Income Tax, Customs Duty, Goods & Services Tax, Professional Tax, and other material statutory dues, as applicable, have generally been regularly deposited during the year by the Company with appropriate authorities.

(b) There are no dues on account of Income Tax, Goods and Services Tax and any other material statutory dues as may be applicable, that have not been deposited on account of any dispute as on December 31, 2023, except as below:

Nature of dues	Amount under dispute (₹ million)	Amount paid under protest (₹ million)	Period for which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961				
Income taxes	1.79	-	2020-21	Appeal to be filed
Income taxes	5.34	-	2019-20	CIT (A)
Income taxes	30.76	10.07	FY 2015-16	CIT (A)
Income Taxes	1.01	1.01	FY 2013-14	CIT (A)
Central Excise Act, 1944				
Central Excise Demand, Interest & Penalty	5.27	0.13	FY 2014-17	CESTAT

(viii) According to the information and explanations given to us and as represented by the management, we have not come across any transactions, not recorded in the books of accounts, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) Based on representation given by the management of the Company and according to the information and explanations given to us:

(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 has not defaulted in repayment of any loans or other borrowings or interest thereon to any of its lenders during the year. Accordingly, provisions of Para 3(ix)(a) to such extent are not applicable to the Company.

(b) 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 been declared wilful defaulter by any bank or financial institution or government or government authority or any lender.

(c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, no

funds raised on short term basis have been utilised for long term purposes.

(e) According to the information and explanations given to us and as represented by the management, the Company does not have any subsidiary, associates as on December 31, 2023. Accordingly, the provisions of Para 3(ix)(e) of the Order are not applicable to the Company to such extent. As disclosed in Note 4 to the Financial Statements, the Company has invested in a Joint Venture.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the Companies Act, 2013. Accordingly, the provisions of Para 3 (ix)(f) of the order are not applicable to the Company.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, provisions of Para 3 (x)(a) of the order are not applicable to the Company.

(b) 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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of Para 3 (x)(b) of the order are not applicable to the Company.

- (xi) (a) According to the information and explanations given to us and as represented to us by the management, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and Nidhi Rules, 2014 are not applicable to it. Accordingly, provisions of Para 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by applicable Ind AS.
- (xiv) In our opinion and according to the information and explanations given to us,
- (a) The Company's internal audit system is commensurate with the size and nature of its business.
- (b) We have considered the Internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, provisions of Para 3(xv) of the Order are not applicable to the Company.
- (xvi) (a) & (b) According to information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of Paras 3(xvi)(a) and (b) of the Order are not applicable to the Company.
- (c) According to information and explanation given to us, the Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of Para 3(xvi)(c) of the Order are not applicable to the Company.
- (d) According to information and explanation given to us and as represented to us by the management, the group does not have CIC as a part of its group. Accordingly, provisions of Para 3(xvi)(d) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred cash loss during the financial year ended on December 31, 2023 and the immediately preceding financial year. Accordingly, provisions of Para 3(xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of Para 3(xviii) of the Order are not applicable to the Company.
- (xix) In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, the Company is not required to spend any amount as CSR expenditure. Accordingly, provisions of Para 3(xx) of the Order are not applicable to the Company.
- (xxi) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiaries and associates as on December 31, 2023. The Company has a joint venture. However, consolidation requirement is not applicable in such a case. Therefore, the Company is not required to prepare Consolidated Financial Statements. Accordingly, provisions of Para 3(xxi) of the Order are not applicable to the Company.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No. 105215W/W100057

Anand Jog

Partner

Place: Pune

Membership No.: 108177

Date: February 23, 2024

UDIN: 24108177BKAKGV3378

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **Enkei Wheels (India) Limited** of even date)

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 December 31, 2023, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 respective 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 Companies Act, 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 internal financial controls system over financial reporting of the Company.

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.

OPINION

In our opinion, to the best of our information and according to the explanations 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 December 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057

Anand Jog

Partner

Place: Pune

Membership No.: 108177

Date: February 23, 2024

UDIN: 24108177BKAKGV3378

BALANCE SHEET

as at December 31, 2023

(CIN : L34300PN2009PLC133702)

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	As at December 31, 2023	As at December 31, 2022
ASSETS			
1 Non-current assets			
Property, plant and equipment	3	3,436.70	2,302.06
Right of use assets	3	1.32	7.91
Capital work-in-progress	3.a	24.54	1,002.24
Financial assets			
Investment in equity shares of joint venture	4	39.09	32.48
Other financial assets	5	45.22	45.18
Income tax assets	6	86.98	44.93
Other non-current assets	7	39.30	35.96
Total - non-current assets		3,673.15	3,470.76
2 Current assets			
Inventories	8	626.77	745.38
Financial assets			
Trade receivables	9	846.41	571.71
Cash and cash equivalents	10	108.37	66.32
Bank balances other than cash and cash equivalents	11	8.94	8.50
Other financial assets	5	2.58	5.28
Other current assets	7	69.32	69.66
Total - Current assets		1,662.39	1,466.86
Total Assets		5,335.54	4,937.62
EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	12	89.87	89.87
Other equity	12.1	2,242.54	2,122.43
Total - equity		2,332.41	2,212.30
2 Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13	1,129.13	1,050.53
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	14	-	-
Total outstanding dues of creditors other than micro enterprise and small enterprises	14	246.77	225.38
Lease Liabilities	15	-	1.52
Deferred tax liabilities (net)	16	47.49	3.64
Total - non-current liabilities		1,423.39	1,281.07
Current liabilities			
Financial liabilities			
Borrowings	13	535.91	564.36
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	14	14.26	15.04
Total outstanding dues of creditors other than micro enterprise and small enterprises	14	711.68	630.89
Lease Liabilities	15	1.52	8.09
Other financial liabilities	17	64.08	71.06
Other current liabilities	18	120.63	62.66
Short term provisions	19	127.82	92.16
Current tax liabilities (net)	20	3.83	-
Total - current liabilities		1,579.74	1,444.26
Total Equity and Liabilities		5,335.54	4,937.62

The accompanying notes form part of these financial statements from note 1 to 47.

As per our report of even date attached
For Kirtane & Pandit LLP

Chartered Accountants
Firm Registration No. 105215W/W100057

Anand Jog
(Partner)
Membership No. : 108177

Place: Pune
Date: February 23, 2024

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

Kenjiro Hama
(Managing Director)
(DIN : 10516270)

Jitendra Parmar
(Chief Financial Officer)

Place: Pune
Date: February 23, 2024

Haresh Shah
(Director)
(DIN : 00228471)

Sourav Chowdhury
(Company Secretary and
Compliance Officer)

STATEMENT OF PROFIT AND LOSS

for the year ended December 31, 2023

(CIN : L34300PN2009PLC133702)

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	For the Year ended December 31, 2023	For the Year ended December 31, 2022
I Revenue from Operations	21	7,161.37	6,634.91
II Other Income	22	80.65	84.20
III Total Income (I+II)		7,242.02	6,719.11
IV EXPENSES			
Cost of materials consumed	23	4,009.38	4,159.00
Purchases of stock-in-trade	24	0.17	0.11
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	66.83	(121.21)
Employee benefits expenses	26	473.68	432.00
Finance Costs	27	106.96	152.84
Depreciation and amortisation expense	28	415.47	283.96
Consumption of stores & spares	29	594.38	491.37
Other Expenses	30	1,414.64	1,225.32
Total Expenses (IV)		7,081.51	6,623.39
V Profit before exceptional items and Tax(III-IV)		160.52	95.72
Exceptional items- Expense/(Income)		-	-
VI Profit before tax		160.52	95.72
VII Income Tax Expense:			
Current tax	17	-	31.03
Deferred tax Expense/(Credit)	17	43.57	27.57
Total tax expense		43.57	58.61
VIII Profit for the year (VI-VII)		116.95	37.11
IX Other Comprehensive Income			
A Items that will not be reclassified to Profit or Loss			
(i) Remeasurement gain/(loss) on defined benefit obligation		(3.97)	(1.27)
Tax impact on above		1.48	0.37
(ii) Changes in fair value of fair value through OCI (FVOCI) equity instruments		6.62	3.75
Tax impact on above		(1.54)	(0.87)
B Items that will be reclassified to Profit or Loss			
(i) Effective portion of gain/(loss) on hedging instruments in cash flow hedge		0.80	3.46
Tax impact on above		(0.23)	(1.01)
Other Comprehensive Income (A+B)		3.17	4.43
X Total Comprehensive Income for the period (VIII+IX) (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		120.12	41.53
XI Earning per Equity share			
Basic (Face Value of ₹ 5/- each)		6.51	2.06
Diluted (Face Value of ₹ 5/- each)		6.51	2.06

The accompanying notes form part of these financial statements from note 1 to 47.

As per our report of even date attached
For Kirtane & Pandit LLPChartered Accountants
Firm Registration No. 105215W/W100057**Anand Jog**
(Partner)
Membership No. : 108177Place: Pune
Date: February 23, 2024For and on behalf of the Board of Directors
of Enkei Wheels (India) Limited**Kenjiro Hama**
(Managing Director)
(DIN : 10516270)**Jitendra Parmar**
(Chief Financial Officer)Place: Pune
Date: February 23, 2024**Haresh Shah**
(Director)
(DIN : 00228471)**Sourav Chowdhury**
(Company Secretary and
Compliance Officer)

CASH FLOW STATEMENT

for the year ended December 31, 2023

(CIN : L34300PN2009PLC133702)

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
A Cash Flow from operating activities		
Profit or (Loss) before tax for the year	160.52	95.72
Adjusted for :		
Depreciation and amortisation	415.47	283.96
Loss/(Profit) on sale of property, plant & equipment (net)	(3.36)	6.25
Finance cost (including towards lease liabilities)	106.96	152.84
Interest Income	(6.53)	(4.65)
Mark to Market Loss/(Gain)	3.44	(6.88)
Foreign Exchange Loss/(Gain) (net)	(63.36)	(8.42)
Operating profit / (loss) before working capital changes	613.14	518.82
Adjusted for :		
(Increase)/decrease in inventories	118.61	(340.42)
(Increase)/decrease in trade receivables	(274.70)	131.37
(Increase)/decrease in other financial assets	2.67	(6.78)
(Increase)/decrease in other current assets & non current assets	(2.99)	(41.49)
Increase/(decrease) in trade payables	84.58	269.70
Increase/(decrease) in other financial liabilities	(7.68)	7.46
Increase/(decrease) in provisions	31.69	20.34
Increase/(decrease) in other current liabilities	57.99	(10.92)
Cash generated from operations	623.31	548.08
Income tax (paid) / refund	(38.22)	(59.82)
Net cash flow from / (used in) operating activities (A)	585.09	488.26
B Cash flow from investing activities		
Purchase of property, plant & equipment and capital expenditure	(572.03)	(431.39)
Sale of property, plant & equipment	7.76	6.89
(Purchase)/maturity of bank deposits	(0.43)	(0.99)
Interest Income	6.52	5.87
Net cash flow from / (used in) investing activities (B)	(558.19)	(419.62)
C Cash flow from financing activities		
Proceeds from short term borrowings (net)	10.00	(80.00)
Proceeds from long term borrowings	363.51	252.00
Repayment of long term borrowings	(262.95)	(324.41)
Payment of lease liabilities	(8.40)	(28.01)
Finance cost	(87.01)	(148.47)
Net cash flow from / (used in) financing activities (C)	15.15	(328.89)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	42.05	(260.25)

CASH FLOW STATEMENT

for the year ended December 31, 2023

(CIN : L34300PN2009PLC133702)

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
Effect of exchange difference on restatement of foreign currency cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	66.32	326.57
Cash and cash equivalents at the end of the year	108.37	66.32
1 Reconciliation of cash and cash equivalents with the balance sheet :		
Cash and cash equivalents as per balance sheet	108.37	66.32
Comprises		
Cash on hand	0.14	0.23
Balances with banks		
In current accounts	98.22	16.59
In deposit account	10.00	49.50
2 Change in financial liability arising from financing activities	Borrowings	Borrowings
Opening balance	1,614.89	1,830.76
Changes from financing cash flows	80.26	505.37
Effect of changes in foreign exchange rates	(60.24)	(52.66)
Other changes	30.13	(668.58)
Closing balance	1,665.04	1,614.89

Note 1: Foreign exchange gain/loss adjusted from operating cashflows in the cashflow statement for current and previous periods comprises the unrealised gain/loss on trade payables adjusted being non-cash and realised gain/loss of borrowings considered as part of financing activities rather than operating activities. Accordingly, cashflows for the previous year have been re-classified to adjust for non-cash effects of exchange gain/loss on trade payables of ₹ 44.23 million and unwinding of interest of ₹ 18.72 million that were included in the operating cashflows.

Note 2: For movement of lease liabilities, Refer Note 31 (o)

The accompanying notes form part of these financial statements from note 1 to 47.

As per our report of even date attached

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No. 105215W/W100057

Anand Jog

(Partner)

Membership No. : 108177

Place: Pune

Date: February 23, 2024

For and on behalf of the Board of Directors

of Enkei Wheels (India) Limited

Kenjiro Hama

(Managing Director)

(DIN : 10516270)

Jitendra Parmar

(Chief Financial Officer)

Place: Pune

Date: February 23, 2024

Haresh Shah

(Director)

(DIN : 00228471)

Sourav Chowdhury

(Company Secretary and

Compliance Officer)

STATEMENT OF CHANGES IN EQUITY

for the year ended December 31, 2023

(CIN : L34300PN2009PLC133702)

(a) Share Capital

(All amounts in ₹ million, unless otherwise stated)

Particulars	Amount
Balance as at December 31, 2021	89.87
Changes in equity share capital during financial year 2022	-
Balance as at December 31, 2022	89.87
Changes in equity share capital during financial year 2023	-
Balance as at December 31, 2023	89.87

(b) Other Equity

Particulars	Equity component of compound financial instruments	Reserves & Surplus		Other comprehensive income (OCI)			Total
		Securities premium reserve	Retained earnings	Remeasurement gain/(loss) on defined benefit obligation	Equity instruments through OCI	Effective portion of cash flow hedges	
Balance as at December 31, 2021	63.94	1,822.90	105.07	(0.28)	(2.13)	(3.12)	1,986.39
Profit/(loss) for the year	-	-	37.11	-	-	-	37.11
Other comprehensive income (net of tax)	-	-	-	(0.90)	2.88	2.45	4.43
Total comprehensive income for the year	-	-	37.11	(0.90)	2.88	2.45	41.53
Re-measurement of fair value on long-term financial liabilities	94.51	-	-	-	-	-	94.51
Dividend	-	-	-	-	-	-	-
Balance as at December 31, 2022	158.45	1,822.90	142.18	(1.18)	0.75	(0.67)	2,122.43
Profit/(loss) for the year	-	-	116.95	-	-	-	116.95
Other comprehensive income (net of tax)	-	-	-	(2.49)	5.08	0.57	3.17
Total comprehensive income for the year	-	-	116.95	(2.49)	5.08	0.57	120.12
Re-measurement of fair value on long-term financial liabilities	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-
Balance as at December 31, 2023	158.45	1,822.90	259.13	(3.67)	5.83	(0.10)	2,242.54

The accompanying notes form part of these financial statements from note 1 to 47.

As per our report of even date attached

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No. 105215W/W100057

Anand Jog

(Partner)

Membership No. : 108177

Place: Pune

Date: February 23, 2024

For and on behalf of the Board of Directors

of Enkei Wheels (India) Limited

Kenjiro Hama

(Managing Director)

(DIN : 10516270)

Jitendra Parmar

(Chief Financial Officer)

Place: Pune

Date: February 23, 2024

Haresh Shah

(Director)

(DIN : 00228471)

Sourav Chowdhury

(Company Secretary and

Compliance Officer)

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2023

1. CORPORATE INFORMATION

Enkei Wheels (India) Limited (CIN : L34300PN2009PLC133702) ("the Company") is a public company limited by shares, incorporated and domiciled in India. It was incorporated on March 30, 2009 under Companies Act 1956 and its shares are listed on the BSE Limited. The address of its works and registered office is at Gat No. 1425, Village: Shikrapur, Taluka: Shirur, Dist: Pune - 412 208. It also has warehouses in the states of Rajasthan, Gujarat & Karnataka. The Company is subsidiary of Enkei Corporation, Japan.

The principal activities of the Company are manufacturing of aluminium alloy casting wheels ("products"), which are being used in automotive segment of the industry in India. The financial statements were approved for issue in accordance with a resolution of the Board of Directors on February 23, 2024.

2. BASIS OF PREPARATION, MEASUREMENT AND 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 on a historical cost basis except for certain financial instruments which are measured at fair value.
- c) These financial statements have been prepared in accordance with the Indian Accounting Standards ('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 other relevant provisions of the Act.
- d) 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 and non-current classification of assets and liabilities.

- e) The accounting policies adopted by the Company in the preparation of financial statements are consistent with those of the earlier years presented, except otherwise stated.
- f) These financial statements are approved for issue by the Company's Board of Directors as per its resolution dated February 23, 2024.

2.2 Key Accounting Estimates and Judgements

The preparation of financial statements in conformity with Ind AS requires the Company's management to make judgments, estimates and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, disclosures relating to contingent liabilities and assets as at the date of the financial statements and the reported amounts of revenues and expenses during the period. 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 and deferred taxes. Accounting estimates could change from period to period. Actual results may differ as a result of changes in the estimates. Revisions to /changes in accounting estimates are recognised prospectively.

Critical Accounting Estimates used in measurement of the following

- (a) Employee benefits - Defined benefit plans - Note 2.3 (xi)(2)(b)
- (b) Taxe on income-Deferred tax - Note 2.3 (xv) (b)
- (c) Impairment of non financial assets - Property, Plant & Equipment - Note 2.3 (xvi)
- (d) Provisions, contingencies and commitments - Note 2.3 (xvii)

2.3 Significant Accounting Policies

i) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle
- expected to be realized within twelve months after the reporting period, or

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2023

- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
 - All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

ii) Inventories

- a) Inventories are valued at the lower of cost and net realisable value. 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 finished goods and work-in-progress comprises of all costs of direct material, conversion costs and other costs (net of recoverable taxes/eligible credits) incurred in bringing the inventories to their respective present location and condition.
- c) Cost of raw materials includes cost of purchase and other costs (net of recoverable taxes/eligible credits) incurred in bringing the inventories to their respective present location

and condition. Costs are determined on First In First Out basis.

- d) Cost of consumables, stores and spares, packing materials are determined on First In First Out basis.
- e) Material-in-transit and materials in bonded warehouse are valued at actual cost incurred up to the date of Balance Sheet.

iii) Depreciation and amortisation

- a) Depreciation on property, plant and equipment has been provided on Straight Line Method in the manner provided under 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. Freehold land is not depreciated.
- b) Depreciation on additions during the period has been provided on pro-rata basis from the date of acquisition or from the date(s) on which commercial production is obtained, particularly in case of plant and equipment with fair degree of regularity and not only on the basis of the assets which are ready to put to use, as the case may be.
- c) Depreciation methods, useful lives and residual values are reviewed periodically including at each financial year. Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets

Description of Asset	Sch II	Useful Life estimated by Management (years)
Building	30 years	3 years to 30 years
Computers, including Servers	5 years	3 years
Electrical Installation	10 years	8 years to 10 years
Factory Equipment	10 years	8 years
Furniture and Fixure	10 years	5 years
Motor Vehicles	8 years	8 years
Office Equipment	5 years	5 years
Plant and Machinery including Dies and Molds	25 years	4 years to 8 years
Quality Control Equipments	10 years	8 years

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2023

iv) Revenue recognition

- a) Revenue from contracts with customers for sale of goods is recognised on dispatch of goods and when the control over the goods have been transferred to the buyer/customer, 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 price/(s) specified in contracts with the customers and agreed with them.

In all other cases, performance obligation is considered as satisfied at a point in time.

- b) Revenue is measured at transaction price (net of variable consideration) allocated to that performance obligation. The transaction price is net of variable consideration on account of , any trade discounts and taxes or duties collected on behalf of the government such as goods and services tax and taxes collected at source. A receivable is recognised when the goods are despatched to the buyer/customer. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company also considers the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any.
- c) Other operating revenue represents income earned from the Company's principal activities and is recognised when the income is accrued as per the terms agreed with the parties.
- d) The recognition of variable consideration is limited to the amount that is highly unlikely to be reversed in the future. The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which it is expected to better predict the amount of variable consideration.

- e) The company recognises provision for warranties in respect of the products that, it sells. The estimates are established using historical information on the basis of nature and frequency of the claims and management estimates regarding possible future incidences based on product failures.

- f) The Company follows five stage model as prescribed in IND AS 115.

v) Other income

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recognised using effective interest rate.

vi) Expenditure

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

vii) Financial instruments

As per Ind AS -109, a financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets

A. Initial recognition and measurement

All financial assets are initially recognized at fair value except for trade receivables that do not contain a significant financing component which are initially measured at transaction price. Related transaction costs are recognised in the Statement of Profit and Loss. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not classified at fair value through profit or loss, are adjusted to the fair value on initial recognition.

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2023

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 measured 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.

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

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, the 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 reporting date, these historical default rates are reviewed and changes in the forward looking estimates are analysed. As per current estimates, the Company does not deem it necessary to recognise any provision against outstanding Trade Receivables

For other assets, the Company uses 12 month ECL to provide for impairment loss where there

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2023

is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime ECL is used.

ii) Financial Liabilities and Equity Instruments

1. Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs

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 amortised 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) Derivative instruments and hedge accounting

The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks and commodity price risks. Further details of derivative financial instruments are disclosed in Note 14 relates to Trade Payable.

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item. The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

a) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

b) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated

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forming part of the financial statements for the year ended December 31, 2023

as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion is recognised in the Statement of Profit and Loss. Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a nonfinancial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Any changes therein are recognised in the statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(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 financial asset and the transfer qualifies for derecognition under Ind AS 109.

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, remaining maturities and other terms.

The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks and commodity price risks. Further details of derivative financial instruments are disclosed in Note 17.

viii) Investments in Joint Ventures:

As per Ind AS 111, a party that participates in, but does not have joint control of, a joint arrangement shall account for its interest in a joint venture in accordance with Ind AS 109, unless the entity has significant influence over the joint venture

Thus, the Company's investment in Joint Venture have been accounted for in accordance with Ind AS 109 [as specified in Note 2.3.(vii)], where the Company has neither joint control nor significant influence over the Joint Venture

ix) Property, plant and equipment

a) Freehold land is carried at historical cost. All other items of property, plant and equipment are carried at cost, less accumulated depreciation and impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable. The cost represents purchase price

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(net of recoverable of taxes) and all other direct attributable expenses (including borrowing cost in respect of acquisition or construction of qualifying asset) for the period up to the date of bringing the asset to its location and working 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. All other repairs and maintenance costs are charged to the Statement of Profit and Loss in the period in which those are incurred.
 - c) Advances paid for the acquisition of property, plant and equipment, that remained outstanding at each balance sheet date is classified as 'capital advances' under "non-current assets". The cost of 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'.
 - d) Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.
- x) Foreign currency transactions and translations**
- a) Initial recognition:**
Foreign currency transactions are recorded in India currency (the "functional and presentation currency"), by applying the exchange rate between the Indian currency and the foreign currency at the date of the transaction.
 - b) Transaction and balances :**
Transaction in currencies other than than entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transaction.

Exchange differences arising on settlement or translation of long term monetary items are recognised in the Statement of Profit and Loss.

Non monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

c) Interest on term loans - Foreign Currency Loans (ECB)

In accordance with the provisions of Ind AS 23, exchange losses arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs are treated as borrowing costs. Further, subsequent gains in respect of the settlement or translation of the same borrowing, to the extent of the loss previously recognised as an adjustment are also recognised as an adjustment to interest.

Accordingly, finance costs include such foreign exchange gains, related to borrowings whose foreign exchange losses were earlier considered as adjustment to interest.

xi) Employee benefits

1) Short term employee benefits

Employee benefits include provident fund, pension fund, gratuity fund, labour welfare fund, employees state insurance scheme, compensated absences and medical benefits. A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

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2) Post employment benefits

a) 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 scheme etc., are considered as defined contribution plans. The contributions are recognised as employee benefit expenses as and when those are due in the period in which employees render their services.

b) Defined benefit plans

For defined benefit plans, such as gratuity fund (which is administered by the LIC of India), the cost of providing benefits is determined with actuarial valuations being carried out at each Balance Sheet date. 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 obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations. 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.

The costs of accruing employee benefits promised to employees over the period and the costs of individual events such as past/future service benefit changes and settlements are recognised under "Employee benefit expenses" in the

statement of Profit and Loss. The actuarial gains and losses (excluding interest), any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the period 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.etc. 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 'Other Expenses' in the Statement of Profit and Loss.

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.

3) Other Long-term employee benefits

Compensated absences which are not expected to occur /settle within twelve months after the end of the period in which the employee renders the related services are recognised as a liability determined by the projected unit credit method under 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. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the Statement of Profit and Loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months

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forming part of the financial statements for the year ended December 31, 2023

after the reporting period, regardless of when the actual settlement is expected to occur.

4) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of these benefits; and (b) when the entity recognises cost for a restructuring that is within the scope of Ind AS 37 and involves payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer.

xii) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs are expensed in the period in which those are incurred. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use. A period of twelve months or longer has been considered as a substantial period of time, except in exceptional and unforeseen circumstances.

Interest on term loans - Foreign Currency Loans (ECB). In accordance with the provisions of Ind AS 23, exchange losses arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs are treated as borrowing costs. Further, subsequent gains in respect of the settlement or translation of the same borrowing, to the extent of the loss previously

recognised as an adjustment are also recognised as an adjustment to interest.

Accordingly, finance costs include such foreign exchange gains, related to borrowings whose foreign exchange losses were earlier considered as adjustment to interest.

xiii) Leases

a) The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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- b) The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

c) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of

ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

xiv) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting within the entity using Management Approach and based on internal reporting to the Chief Operating decision maker. 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.

xv) Taxes on income

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 other comprehensive income or in equity.

a) Current tax

- 1) 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 periods.
- 2) 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

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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.

b) Deferred tax

- 1) 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.
- 2) 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. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

xvi) 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, or impairment testing of asset or CGU is required, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any.
- 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.
- c) The impairment loss recognised in prior accounting period is reversed in the Statement of Profit and Loss, if there has been a change in the estimates used to determine the recoverable amount. However, the reversal is limited so that the carrying amount of the asset neither exceeds its recoverable amount, nor does it exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

xvii) 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

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2023

within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

- d) Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

xviii) Statement of cash flows and cash and cash equivalents

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of non-cash nature, deferrals or accruals of past or future operating receipts/(payments) and items of income/(expenses) associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Cash and cash equivalents in the balance sheets comprises of, cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

xix) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The Company uses valuation techniques that are appropriate in the circumstances and for which

sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xx) Earning Per Share Basic earning per share has been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earning per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

xxi) Government grants are recognised where there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expense the related cost for which the grants are intended to compensate.

xxii) All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest million as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

NOTE : 3 PROPERTY, PLANT & EQUIPMENT & RIGHT OF USE ASSETS

Description	Gross Block			Depreciation			Net Block			
	As at January 01, 2023	Additions/ Adjustments	Deduction/ Adjustments	As at December 31, 2023	As at January 01, 2023	For the Year	Deduction/ Adjustments	As at December 31, 2023	WDV as at March 31, 2023	WDV as at December 31, 2022
Property, plant and equipment										
Free hold land	340.99	-	-	340.99	-	-	-	-	340.99	340.99
Building	822.47	3.02	-	825.49	168.61	45.65	-	214.26	611.23	653.87
Plant and equipment	2,484.79	1,295.38	9.95	3,770.21	1,569.06	218.07	9.44	1,777.69	1,992.52	915.72
Electrical installation	339.78	86.24	-	426.02	122.91	38.78	-	161.69	264.33	216.87
Computers	26.43	4.27	2.29	28.41	21.24	2.20	2.17	21.27	7.14	5.18
Furnitures & fixtures	9.42	1.21	-	10.62	8.34	0.26	-	8.60	2.02	1.08
Vehicles	19.05	-	-	19.05	14.00	1.53	-	15.53	3.52	5.05
Office equipment	13.18	1.17	0.14	14.20	11.46	0.54	0.12	11.87	2.33	1.72
Dies & moulds	392.49	156.65	4.24	544.89	230.91	101.86	0.49	332.28	212.61	161.58
Sub Total	4,448.59	1,547.92	16.62	5,979.89	2,146.53	408.89	12.23	2,543.20	3,436.70	2,302.06
Right of use assets										
Buildings	73.33	-	66.57	6.75	65.42	6.58	66.57	5.43	1.32	7.91
Sub Total	73.33	-	66.57	6.75	65.42	6.58	66.57	5.43	1.32	7.91
Total	4,521.92	1,547.92	83.20	5,986.64	2,211.95	415.47	78.80	2,548.63	3,438.02	2,309.97

Description	Gross Block			Depreciation			Net Block			
	As at January 01, 2022	Additions/ Adjustments	Deduction/ Adjustments	As at December 31, 2022	As at January 01, 2022	For the Year	Deduction/ Adjustments	As at December 31, 2022	WDV as at December 31, 2022	WDV as at December 31, 2021
Property, plant and equipment										
Free hold land	340.99	-	-	340.99	-	-	-	-	340.99	340.99
Building	281.22	542.02	0.76	822.47	128.08	40.68	0.16	168.61	653.87	153.13
Plant and equipment	1,814.32	677.82	7.34	2,484.79	1,458.66	117.37	6.98	1,569.06	915.72	355.65
Electrical installation	157.86	181.93	-	339.78	94.31	28.60	-	122.91	216.87	63.55
Computers	21.83	4.60	-	26.43	20.20	1.04	-	21.24	5.18	1.63
Furnitures & fixtures	8.89	0.53	-	9.42	8.16	0.17	-	8.34	1.08	0.72
Vehicles	18.65	0.40	-	19.05	12.16	1.84	-	14.00	5.05	6.49
Office equipment	12.38	0.80	-	13.18	10.92	0.54	-	11.46	1.72	1.45
Dies & moulds	421.50	102.51	131.51	392.49	278.96	71.28	119.34	230.91	161.58	142.54
Sub Total	3,077.62	1,510.59	139.62	4,448.59	2,011.48	261.53	126.47	2,146.53	2,302.06	1,066.14
Right of use assets										
Buildings	79.96	0.34	6.97	73.33	51.86	20.52	6.97	65.42	7.91	28.10
Plant and equipment	4.79	-	-	4.79	2.87	1.91	-	4.79	-	1.91
Sub Total	84.75	0.34	6.97	78.11	54.74	22.44	6.97	70.21	7.91	30.01
Total	3,162.37	1,510.92	146.58	4,526.70	2,066.21	283.96	133.44	2,216.74	2,309.97	1,096.15

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

NOTE : 3-A CAPITAL WORK-IN-PROGRESS:

Particulars	Finance cost on Plant and Machinery						Total			
	Office equipments	Buildings	Plant and machinery	Interest paid	Interest received	Exchange fluctuation		Computers	Furniture and fixture	Dies & moulds
Gross carrying value as at January 01, 2023	-	-	979.26	14.73	(2.95)	11.14	-	0.06	-	1,002.24
Additions	1.17	3.02	413.52	9.05	(0.24)	(0.17)	4.30	1.14	185.20	616.99
Deletions	1.17	3.02	1,368.27	23.78	(3.19)	10.97	4.26	1.20	185.20	1,594.70
Gross carrying value as at December 31, 2023	-	-	24.51	-	-	-	0.03	-	-	24.54

Particulars	Finance cost on Plant and Machinery						Total			
	Office equipments	Buildings	Plant and machinery	Interest paid	Interest received	Exchange fluctuation		Computers	Furniture and fixture	Dies & moulds
Gross carrying value as at January 01, 2022	0.03	518.08	1,647.67	27.43	(27.74)	11.12	0.38	0.06	-	2,177.03
Additions	0.77	23.95	233.43	16.12	(2.83)	0.17	4.21	0.53	105.72	382.07
Deletions	0.80	542.03	901.84	28.82	(27.62)	0.15	4.59	0.53	105.72	1,556.86
Gross carrying value as at December 31, 2022	-	-	979.26	14.73	(2.95)	11.14	-	0.06	-	1,002.24

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(All amounts in ₹ million, unless otherwise stated)

Ageing of capital of work-in-progress is as below : As at December 31, 2023

Particulars	Amounts in capital work in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress - MAP2	24.54	-	-	-	24.54
Projects temporarily suspended	-	-	-	-	-
Total	24.54	-	-	-	24.54

Ageing of capital of work-in-progress is as below : As at December 31, 2022

Particulars	Amounts in capital work in progress for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress - MAP2	141.76	184.57	395.61	280.30	1,002.24
Projects temporarily suspended	-	-	-	-	-
Total	141.76	184.57	395.61	280.30	1,002.24

- Note:**
- PPE are not pledged as security
 - Estimated amount of contract remained to be accounted under PPE is ₹ 201.5 million. (previous year ₹ 100.02 million)
 - The Company has not revalued any PPE during the year.
 - The Company capitalises borrowing costs in the capital work-in-progress (CWIP) first. The borrowing costs capitalized during the year ended December 31, 2023 was ₹ 8.81 million (December 31, 2022 : ₹ 13.46 million)

NOTE : 4 INVESTMENT

(Unsecured and considered good, unless otherwise stated)

Sr. No	Particulars	As at December 31, 2023	As at December 31, 2022
	Unquoted equity shares (fully paid)		
a	Investment in equity instrument		
	Valued at fair value through other comprehensive income		
	Investment in joint venture	39.09	32.48
	Joint venture name :		
	Nikkei CMR Aluminium India Private Limited		
	Principal place of business : Sanaswadi, Pune		
	Country of incorporation : India		
	(3,150,000 equity shares out of 45,000,000 equity shares [December 31, 2022 : 3,150,000 equity shares out of 45,000,000 equity shares] of ₹ 10 each).		
	Total	39.09	32.48

- Note:**
- Aggregate book value (carrying value) of unquoted investments before impairment. (Current year ₹ 39.09 million and Previous year 32.48 million)
 - Aggregate amount of impairment in value of investments. (Current year nil and Previous year nil)

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

NOTE : 5 OTHER FINANCIAL ASSETS

(Unsecured and considered good, unless otherwise stated)

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Security deposits - considered good*	45.20	45.09	0.79	0.34
b	Deposits having maturity of more than 12 months (Held as lien against bank guarantee)**	0.02	0.09	-	-
c	Interest accrued on deposits	-	-	1.54	1.55
d	Derivative financial instruments	-	-	-	3.21
e	Advance to employees	-	-	0.24	0.18
	Total	45.22	45.18	2.58	5.28

* measured at amortised cost

**The Company has pledged a part of its long term deposits to fulfil bank guarantee requirements. Refer note 11 for further details.

NOTE : 6 INCOME TAX ASSETS

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Income tax assets (Net of provision for income tax)	86.98	44.93	-	-
	Total	86.98	44.93	-	-

* This includes amounts paid under protest for ongoing appeal proceedings, refer note 30 (g) (I) (a) (i).

NOTE : 7 OTHER ASSETS

(Unsecured and considered good, unless otherwise stated)

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Capital advances	35.59	31.49	-	-
b	Balances with government authorities*	3.71	4.47	40.50	52.52
c	Advances against expenses	-	-	14.40	5.85
d	Trade advance to suppliers	-	-	3.09	4.51
e	Prepaid expenses	-	-	11.33	6.78
	Total	39.30	35.96	69.32	69.66

* This includes amounts paid under protest for ongoing appeal proceedings, refer note 31 (g) (I) (a) (ii) for current portion.

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

NOTE : 8 INVENTORIES

Sr. No	Particulars	As at December 31, 2023	As at December 31, 2022
a	Raw materials (Includes stock in transit)	247.66	281.63
b	Work-in-progress	84.61	38.67
c	Finished goods	252.22	365.02
d	Traded goods -Accessories	0.06	0.03
e	Stores,spares & consumables	36.68	56.05
f	Fuel & gas	5.54	3.98
	Total	626.77	745.38

NOTE : 8 INVENTORIES (CONTD.)

Sr. No	Particulars	As at December 31, 2023	As at December 31, 2022
a	Raw materials (at cost)		
	1. Aluminium ingots	223.58	281.63
		223.58	281.63
b	Work-in-progress (at cost)		
	1. Wheels - Two wheelers	17.92	8.29
	2. Wheels - Four wheelers	66.69	30.38
		84.61	38.67
c	Finished goods (Cost or NRV whichever is lower)		
	1. Wheels - Two wheelers	86.42	98.36
	2. Wheels - Four wheelers	165.80	266.66
		252.22	365.02
d	Stock in trade (at cost)		
	1. Accessories	0.06	0.03
		0.06	0.03
e	Stores, spares & consumables (at cost)	36.68	55.09
f	Fuel & gases (at cost)	5.54	3.98
g	Inventory includes in transit inventory of :		
	1. Aluminium Ingot (at cost)	24.08	-
	2. Stores, spares & consumables (at cost)	-	0.96
		24.08	0.96
	Total	626.77	745.38

1 The carrying amount of inventories pledged as security for liabilities is NIL

2 Inventory amounting to ₹ 2.56 million (at cost) has been written down to its NRV i.e. ₹ 2.09 million is recognised in Profit & Loss (Previous year amounting to ₹ 2.53 million (at cost) has been written down to its NRV i.e. ₹ 2.28 million is recognised in Profit & Loss).

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

NOTE : 9 TRADE RECEIVABLES

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Trade receivables				
	Unsecured				
	Trade receivables from customers- considered good	-	-	843.59	571.71
	Trade receivables from customers- considered good - related parties	-	-	2.82	-
	Trade receivables from customers - credit impaired	-	-	-	-
		-	-	846.41	571.71
	Less : Impairment allowances for trade receivables - credit impaired	-	-	-	-
	Total	-	-	846.41	571.71

a. Trade receivables ageing schedule*

As at December 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment*					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good**	(36.57)	845.71	37.11	0.16	-	-	-	846.41
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	(36.57)	845.71	37.11	0.16	-	-	-	846.41
Less: Impairment allowance for trade receivable - credit impaired	-	-	-	-	-	-	-	-
Net trade receivables	(36.57)	845.71	37.11	0.16	-	-	-	846.41

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

As at December 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from the due date of payment*					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good**	(120.10)	602.00	88.77	1.06	(0.02)	-	-	571.71
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total	(120.10)	602.00	88.77	1.06	(0.02)	-	-	571.71
Less: Impairment allowance for trade receivable - credit impaired	-	-	-	-	-	-	-	-
Net Trade receivables	(120.10)	602.00	88.77	1.06	(0.02)	-	-	571.71

*The ageing has been prepared on the basis of days outstanding from due date after considering partywise credit terms.

**Outstanding amount includes supplementary invoices raised amounting to ₹ 20.65 million for current year (previous year nil) in the bracket "Not Due" & "Less than 6 months" The corresponding amount relating to previous year is ₹ (3.38 million) in the bracket "Not Due", "Less than 6 months", "less than 1 year" & "1 to 2 year"

- Trade receivables are pledged as security by the Company
- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivables are due from firms or private Companies respectively in which any director is partner, a director or a member.
- Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days
- Trade receivables relating to related parties are generally on terms of 30 days.
- Trade receivables are generally settled in 30 to 60 days.

b. The movement in allowance for expected credit loss on credit impairment of trade receivables is as follow :

	As at December 31, 2023	As at December 31, 2022
Balance as at beginning of the year	-	-
Addition during the year	-	-
Utilisation/reversal of provision during the year	-	-
Balance as at the end of the year	-	-

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

NOTE : 10 CASH & CASH EQUIVALENTS

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
	Cash & cash equivalents				
	Balances with bank				
a	In current accounts	-	-	98.23	16.59
b	Deposit with original maturity of less than three months	-	-	10.00	49.50
c	Cash on hand*	-	-	0.14	0.23
	Total	-	-	108.37	66.32

*Pursuant to rule 16A of the Companies (Acceptance of Deposits) Amendments Rules 2016 there is no money received from Directors of the Company

- Cash at banks earns interest at floating rates based on daily bank deposit rates.
- Short-term deposits are made for varying periods of between one day and three months, depending on the cash requirements of the Company, and earn interest at the respective short-term deposit rates.
- At December 31, 2023, the Company had available Nil (December 31, 2022 Nil) of undrawn committed borrowing facilities.

NOTE : 11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Deposits with original maturity of more than three months	-	-	8.94	8.50
	Total	-	-	8.94	8.50

Deposits are held as margin money or security against bank guarantee issued by banks current year ₹ 8.94 million and previous year ₹ 8.50 million

NOTE : 12 EQUITY SHARE CAPITAL

Sr. No	Particulars	As at December 31, 2023		As at December 31, 2022	
		Number of shares	Amount	Number of shares	Amount
1	AUTHORISED :				
(i)	Equity shares of ₹ 5/- each	52,000,000	260.00	52,000,000	260.00
(ii)	Compulsorily Convertible Preference Shares of ₹ 10/- each	14,000,000	140.00	14,000,000	140.00
		66,000,000	400.00	66,000,000	400.00
2	ISSUED, SUBSCRIBED & FULLY PAID UP				
	Equity shares of ₹ 5/- each fully paid up	17,974,895	89.87	17,974,895	89.87
	Total	17,974,895	89.87	17,974,895	89.87

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

- (a) Reconciliation of the number of equity shares outstanding and the amount of equity share capital at the beginning and at the end of the year:

Sr. No	Particulars	As at December 31, 2023		As at December 31, 2022	
		Number of shares	Amount	Number of shares	Amount
(i)	Shares outstanding at the beginning of the year	17,974,895	89.87	17,974,895	89.87
(ii)	Add : Shares issued during the year	-	-	-	-
		17,974,895	89.87	17,974,895	89.87
(iii)	Shares outstanding at the end of the year	17,974,895	89.87	17,974,895	89.87

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

Sr. No	Particulars	As at December 31, 2023		As at December 31, 2022	
		No. of Equity shares	Percentage (%) held	No. of Equity shares	Percentage (%) held
	Lock-in of equity shares held by the Promoters				
	Enkei Corporation, Japan	-	-	898,700	6.67

- (c) The Company has only one class of equity shares of face value of ₹ 5/-each. The dividend as proposed by BOD is subject to the approval of shareholders in AGM except in case of Interim Dividend. Each shareholder is eligible for one vote per fully paid up equity share held by e voting (remote e - voting/e - voting at the meeting) 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.

- (d) Details of shareholders holding more than 5% shares:

Sr. No	Class of shares / Name of shareholder	As at December 31, 2023		As at December 31, 2022	
		Number of shares held	Percentage (%) held	Number of shares held	Percentage (%) held
(i)	Equity shares				
a	Enkei Corporation, Japan	13,474,895	74.97	13,474,895	74.97

- (e) Details of shares held by holding company (Face value ₹ 5/-each)

Sr. No	Particulars	As at December 31, 2023		As at December 31, 2022	
		Number of shares held	Percentage (%) held	Number of shares held	Percentage (%) held
(i)	Equity shares				
a	Enkei Corporation, Japan	13,474,895	67.37	13,474,895	67.37

- (f) Disclosure of share holding of promoter group / promoters

Sr. No.	Promotor Name	No. of shares held at December 31, 2023	% of total shares	% changing during the year
1	Enkei Corporation, Japan	13,474,895	74.97	-

Sr. No.	Promotor Name	No. of shares held at December 31, 2022	% of total shares	% changing during the year
1	Enkei Corporation, Japan	13,474,895	74.97	-

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(All amounts in ₹ million, unless otherwise stated)

NOTE : 12.1 OTHER EQUITY

Sr. No	Particulars	As at December 31, 2023	As at December 31, 2022
(i)	Securities premium account		
	Opening balance	1,822.90	1,822.90
	Add: Additions during the year	-	-
	Closing balance	1,822.90	1,822.90
(ii)	Retained earnings		
	Opening balance	142.18	105.07
	Profit for the year	116.95	37.11
	Closing balance	259.13	142.18
(iii)	Equity component of compound financial instruments		
	Opening balance	158.45	63.94
	Add: Addition/(Deletion)	-	94.51
	Closing balance	158.45	158.45
(iv)	Other Comprehensive Income		
	Items that will not be reclassified to Profit or Loss		
	1. Remeasurements of defined benefits obligations		
	Opening balance	(1.18)	(0.28)
	Remeasurements of post-employment benefit obligation	(3.97)	(1.27)
	Income Tax thereon	1.48	0.37
	Closing balance	(3.67)	(1.18)
	2. Changes in Fair Value of Equity Instruments		
	Opening balance	0.75	(2.13)
	Net gain/(loss) on equity instruments designated at FVTOCI for the year	6.62	3.75
	Income Tax thereon	(1.54)	(0.87)
	Closing balance	5.83	0.75
	Items that will be reclassified to Profit or Loss		
	3. Cash flow hedging reserve		
	Opening balance	(0.67)	(3.12)
	Recognized/(realised) during the year	0.80	3.46
	Income tax related to above	(0.23)	(1.01)
	Closing balance	(0.10)	(0.67)
	Total closing balance of other comprehensive Income	2.06	(1.10)
	Total (i)+(ii)+(iii)+(iv)	2,242.54	2,122.43

Nature and purpose of reserves

(i) Securities premium account

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013.

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(All amounts in ₹ million, unless otherwise stated)

(ii) Retained earnings

Retained earnings are the profits (losses) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders if any.

(iii) Equity component of compound financial instruments

Equity component of the compound financial instruments is credited to other equity.

(iv) Other Comprehensive Income

- Remeasurements of defined benefits obligations includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.
- The Company has elected to recognise changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the Equity instrument through other comprehensive income reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

NOTE : 13 BORROWINGS

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

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Unsecured				
	Term Loans from the Banks (ECB's)				
1.	Mufg Bank Ltd (ECB) (JPY)	-	52.04	49.02	170.28
2.	Mizuho Bank Ltd ECB (JPY)	-	52.04	49.02	104.08
3.	Enkei corporation-ECB (JPY)	841.13	694.44	65.88	-
4.	Japan Bank for International Cooperation-ECB (₹)	180.00	252.00	72.00	-
5.	Sumitomo Mitsui Banking Corporation-TL (₹)	108.00	-	-	-
b	Loans repayable on demand				
	Working Capital Demand Loans from Banks:				
1.	Mufg Bank Ltd.	-	-	40.00	140.00
	Security				
	Letter of guarantee by holding Company, Enkei Corporation, Japan				
	Repayment: As per demand				
	From time to time, nevertheless payable on demand. (rollover arrangements are entered with the bank with the same terms)				
2.	Mizuho Bank Ltd.	-	-	200.00	150.00
	Security				
	Letter of guarantee by holding Company, Enkei Corporation, Japan				
	Repayment : Repayable on demand				
	From time to time, nevertheless payable on demand. (rollover arrangements are entered with the bank with the same terms)				

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(All amounts in ₹ million, unless otherwise stated)

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
3.	Sumitomo Mitsui Banking Corporation	-	-	60.00	-
	Security :				
	Letter of guarantee by holding Company, Enkei Corporation, Japan				
	Repayment : Repayable on demand				
	From time to time, nevertheless payable on demand. (rollover arrangements are entered with the bank with the same terms)				
Total		1,129.13	1,050.53	535.91	564.36

Bank/Organization Name	Original Loan	Loan Balance	Currency	Date of Availed	Month of 1st Repayment	Rate of Interest	Number of installments	Installment amount	Total Loan Amount as on December 31, 2023	Total Loan Amount as on December 31, 2022
The MUFG Bank Ltd.	200	33	JPY	March 30, 2019	Sep-21	1.18%	6	33		
The MUFG Bank Ltd.	300	50	JPY	April 26, 2019	Sep-21	1.18%	6	50		
Total The MUFG Bank Ltd.*	500	83							49.02	222.32
The Mizuho Bank Ltd	200	33	JPY	Jun 14, 2019	Dec-21	1.20%	6	33		
The Mizuho Bank Ltd	300	50	JPY	July 16, 2019	Dec-21	1.20%	6	50		
Total The Mizuho Bank Ltd.*	500	83							49.02	156.13
Enkei Corporation, Japan	450	450	JPY	January 16, 2020	Jul-24	1.23%	6	75		
Enkei Corporation, Japan	222	222	JPY	March 31, 2020	Sep-24	1.23%	6	37		
Enkei Corporation, Japan	440	440	JPY	May 31, 2021	May-25	1.23%	6	73		
Enkei Corporation, Japan	430	430	JPY	May 18, 2023	May-27	1.23%	6	72		
Total Enkei Corporation	1,542	1,542							907.00	694.44
Japan Bank for International Co-operation	252	252	₹	Jun 15, 2022	Jun-24	7.2%	7	36		
Total Japan Bank for International Co-operation	252	252							252.00	252.00
Sumitomo Mitsui Banking Corporation	108	108	₹	February 24, 2023	Jan-25	9.5%	7	15		
Sumitomo Mitsui Banking Corporation	108	108							108.00	-
Total ECB Loan (JPY)	3,046	1,961							1,005.04	1,072.89
Total ECB Loan (₹)	252	252							252.00	252.00
Total Term Loan (₹)	108	108							108.00	-

*Includes the effects of related interest rate swaps.

1. There has been no breach of covenants mentioned in the loan agreements during the reporting period.
2. There is no default in payment of loan or interest during the financial year.
3. Holding company, Enkei Corporation Japan has given guarantee to respective banks in respect of above borrowings.
4. ECB - external commercial borrowing
5. ₹ - indian rupees
6. JPY - japanese yen

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NOTE : 14 TRADE PAYABLES

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Total outstanding dues of micro enterprises and small enterprises	-	-	14.26	15.04
b	Total outstanding dues of creditors other than micro enterprise and small enterprises	246.77	225.38	711.68	630.89
	Total	246.77	225.38	725.94	645.93

*The ageing has been prepared on the basis of days outstanding from due date after considering partywise credit terms. Trade payables are generally settled in 45 days.

As at December 31, 2023

Current

Particulars	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	14.26	-	-	-	-	-	14.26
Undisputed dues of creditors other than micro enterprises and small enterprises	708.18	3.50	-	-	-	-	711.68
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	722.44	3.50	-	-	-	-	725.94

1 The ageing has been prepared on the basis of days outstanding from due date after considering partywise credit terms. Trade payables are generally settled in 45 days.

As at December 31, 2022

Current

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	15.04	-	-	-	-	-	15.04
Undisputed dues of creditors other than micro enterprises and small enterprises	438.88	192.02	(0.01)	-	-	-	630.89
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	453.92	192.02	(0.01)	-	-	-	645.93

The ageing has been prepared on the basis of days outstanding from due date after considering partywise credit terms. Trade payables are generally settled in 45 days.

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As at December 31, 2023

Non Current

Particulars	Not Due	Outstanding for following periods from the due date					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	246.77	-	-	-	-	-	246.77
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	246.77	-	-	-	-	-	246.77

1 The ageing has been prepared on the basis of days outstanding as per understanding with the party as per the revised payment schedule, which will be payable from March'2027.

2. Amount disclosed above reflects liabilities component of compound financial instrument as Ind AS 109.

As at December 31, 2022

Non Current

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	225.38	-	-	-	-	-	225.38
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	225.38	-	-	-	-	-	225.38

1 The ageing has been prepared on the basis of days outstanding as per understanding with the party as per the revised payment schedule, which will be payable from March'2027.

2. Amount disclosed above reflects liabilities component of compound financial instrument as Ind AS 109.

NOTE : 15 LEASE LIABILITIES

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Lease liabilities	-	1.52	1.52	8.09
	Total	-	1.52	1.52	8.09

Note 31 (o) gives details of Leases

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(All amounts in ₹ million, unless otherwise stated)

NOTE : 16 DEFERRED TAX LIABILITIES (NET)

Sr. No	Particulars	As at December 31, 2023	As at December 31, 2022
a	Deferred tax liabilities (Net)	47.49	3.64
	Total	47.49	3.64

The major components of income tax expense:

	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a) Income tax expense in the statement of profit and loss comprises:		
Current income tax charge	39.95	27.66
MAT credit entitlement	(39.95)	-
Adjustment in respect of current income tax of previous year	-	3.38
Total current income tax	-	-
Deferred Tax charge / (credit)		
Relating to origination and reversal of temporary differences	43.57	27.57
Income tax expense reported in the statement of profit or loss	43.57	58.61
b) Other Comprehensive Income		
Tax expense related to items recognised in Other comprehensive income during the year:		
Deferred tax on re-measurement loss on defined benefit plans	(1.48)	(0.37)
Deferred tax on re-measurement gain on fair value of investment	1.54	0.87
Deferred tax on effective portion of cash flow hedges	0.23	1.01
Income tax related to items recognised in Other comprehensive income during the year	0.29	1.51
c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :		
Accounting Profit before tax	160.52	95.72
Applicable tax rate [#]	17.47%	29.12%
Computed Tax Expense	28.05	27.88
Mat credit entitlements (Credit)	(28.05)	-
Tax impact of items not deductible in calculating the taxable income	-	3.16
Others	43.57	27.57
Income tax charged to Statement of Profit and Loss at effective rate of 27.14% (December 31, 2022: 61.23%)	43.57	58.61

The tax rate used for reconciliation above is the corporate tax rate of 17.47% (December 31, 2022: 29.12%) at which the Company is liable to pay tax on taxable income under the Indian Tax Law as for the current year MAT is applicable on book profit.

d) Deferred tax liabilities /(assets) comprises :

December 31, 2023	Balance Sheet		Charged to	
	As at December 31, 2023	As at December 31, 2022	Statement of profit and loss	Other comprehensive (income)/Loss
Property, plant and equipment	60.77	17.30	43.47	-
Right of use assets	0.46	2.30	(1.84)	-
Lease liabilities	(0.53)	(2.80)	2.27	-
Unabsorbed losses of earlier years	(45.12)	(47.59)	2.47	-

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December 31, 2023	Balance Sheet		Charged to	
	As at December 31, 2023	As at December 31, 2022	Statement of profit and loss	Other comprehensive (income)/Loss
Expenses allowable on payment basis	(11.67)	(6.21)	(3.97)	(1.48)
Trade payables	41.86	40.69	1.17	-
Fair value of equity investment measured through other comprehensive income	1.77	0.23	-	1.54
Fair value of Effective portion of gain/(loss) on hedging instruments in cash flow hedge through other comprehensive income	(0.05)	(0.28)	-	0.22
	47.49	3.64	43.57	0.28

December 31, 2022	Balance Sheet		Charged to	
	As at December 31, 2022	As at December 31, 2021	Statement of profit and loss	Other comprehensive (income)/Loss
Property, plant and equipment	17.30	(37.16)	54.46	-
Right of use assets	2.30	8.74	(6.44)	-
Lease liabilities	(2.80)	(10.34)	7.54	-
Unabsorbed losses of earlier years	(47.59)	-	(47.59)	-
Expenses allowable on payment basis	(6.21)	(3.37)	(2.47)	(0.37)
Trade payables	40.69	18.62	22.07	-
Fair value of equity investment measured through other comprehensive income	0.23	(0.65)	-	0.87
Fair value of Effective portion of gain/(loss) on hedging instruments in cash flow hedge through other comprehensive income	(0.28)	(1.28)	-	1.01
	3.64	(25.44)	27.57	1.51

e) Deferred tax liabilities movement:

	As at December 31, 2023	As at December 31, 2022
Opening balance as per last balance sheet	3.64	(25.44)
Deferred tax charged/(credited) to profit and loss account during the year	43.57	27.57
Deferred tax charged/(credited) to other comprehensive income during the year	0.28	1.51
	47.49	3.64

f) Effective tax rate has been calculated on profit before tax.

The Company continues to pay income tax under older tax regime and have not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019, considering the accumulated MAT credit, losses and other benefits under the Income Tax Act, 1961.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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(All amounts in ₹ million, unless otherwise stated)

NOTE : 17 OTHER FINANCIAL LIABILITIES

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
Financial liabilities carried at amortised cost					
a	Creditors for capital goods	-	-	8.65	10.28
b	Employee dues	-	-	51.57	56.73
c	Interest accrued but not due	-	-	3.18	2.88
d	Deposits from suppliers	-	-	0.20	0.16
e	Advance from customers	-	-	0.10	0.06
f	Derivative liability in respect of derivative contract :				
	1. Interest rate swap*	-	-	0.14	0.95
	2. Forward Contracts**	-	-	0.24	-
	Total	-	-	64.08	71.06

*The Company had an interest rate swap agreement whereby the Company receives a fixed rate of interest of 1.2% and 1.8% and pays interest at a variable rate. The swap is being used to hedge the exposure to changes in the fair value of its fixed rate unsecured loan. The decrease in fair value of the interest rate swap has been recognised in finance costs and offset with a similar gain on the borrowings. The ineffectiveness recognised in financial year 2023 was immaterial.

**While the Company entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected purchases, these forward contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

NOTE : 18 OTHER LIABILITIES

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Statutory dues payable	-	-	120.63	62.66
	Total	-	-	120.63	62.66

NOTE : 19 PROVISIONS

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Provision for employee benefits (Refer note 1 below)				
	Gratuity	-	-	12.13	5.46
	Compensated absences	-	-	18.06	15.86
b	Other provisions (Refer note 2 below)	-	-	97.63	70.84
	Total	-	-	127.82	92.16

1. Note:31 (i) gives details of Defined Benefit plans and Defined Contribution plans

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2. Provision movements

	As at December 31, 2023	As at December 31, 2022
Balance as at beginning of the year	70.83	50.33
Add : Provision made during the year	97.63	70.83
Less: Utilized during the year	70.83	50.33
Balance as at end of the year	97.63	70.83
Current portion	97.63	70.83

NOTE : 20 TAX LIABILITIES (NET)

Sr. No	Particulars	Non Current		Current	
		As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
a	Provision for income tax (net of advance tax and tax deducted at source)	-	-	3.83	-
	Total	-	-	3.83	-

NOTE : 21 REVENUE FROM OPERATIONS

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Sale of products	7,066.66	6,537.40
b	Other operating revenues	94.71	97.51
	Total	7,161.37	6,634.91

NOTE : 21.1 PARTICULARS OF REVENUE FROM OPERATIONS

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Manufactured goods		
	1. Wheels - Two wheelers	2,293.45	2,602.22
	2. Wheels - Four wheelers	4,809.59	4,055.19
b	Unbilled		
	1. Wheels - Two wheelers	(26.49)	(42.82)
	2. Wheels - Four wheelers	(10.08)	(77.29)
	Total - Sale of products	7,066.47	6,537.30
c	Traded goods		
	1. Accessories	0.19	0.10
d	Other operating revenues-scrap and other sales	94.71	97.51
	Total	7,161.37	6,634.91

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Provision movement as at December 31, 2023

Particulars	Opening	Movement	Closing
Sales Provision	(120.10)	83.53	(36.57)

Provision movement as at December 31, 2022

Particulars	Opening	Movement	Closing
Sales Provision	79.10	(199.20)	(120.10)

(a) Timing of revenue recognition

Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
Goods transferred at a point in time	7,161.37	6,634.91
Total revenue from operations	7,161.37	6,634.91

(b) Contract Balances

Particulars	As at December 31, 2023	As at December 31, 2022
Trade Receivables	846.41	571.71
Contract assets (unbilled revenue)	(36.57)	(120.10)
Contract liabilities (advances from customers)	0.24	0.16

Contract assets relates to revenue earned by the Company on account of rate difference agreed with the customer. Amount billed during the year (₹ 120.10) million (December 31, 2022: ₹ 79.10 million) and the closing balance represents amount to be billed at the year end.

Contract liabilities relates to amount received from customers as an advance against future sale. Performance obligation satisfied from the amount included in contract liabilities during the current year ₹ 0.16 million (December 31, 2022: ₹ 0.03 million). Advance amount received during the year is ₹ 0.24 million (December 31, 2022: ₹ 0.16 million) is outstanding at the year end.

(c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
Revenue as per contracted price	7,163.94	6,641.12
Adjustments : Sales Return	(14.77)	(7.97)
: Discount	(0.36)	(0.69)
Revenue from contract with customers	7,148.81	6,632.46

(d) Performance Obligation

The Company recognised revenue when (or as) a performance obligation was satisfied, i.e., when 'control' of the goods underlying the particular performance obligation were transferred to the customer and there is no unsatisfied performance obligation at the year end.

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NOTE : 22 OTHER INCOME

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Interest on term deposits	1.71	2.18
b	Exchange variation on foreign currency transactions (ECB and other)	66.67	71.90
c	Government grants*	3.69	-
d	Interest on income tax refund	-	0.08
e	Interest on others	4.81	2.39
f	Profit on sale of property, plant and equipment	3.36	-
g	Insurance claims	0.41	0.77
h	Gain on mark to market on forward contract	-	6.88
	Total	80.65	84.20

* Government grants have been received for the purchase of certain items of PPE. There are no unfulfilled conditions or contingencies attached to these grants.

No ineffectiveness has been recognised on foreign exchange and interest rate hedges

NOTE : 23 COST OF MATERIAL CONSUMED

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Raw material inventory at the beginning of year	281.63	91.27
b	Add: Purchases during the year	3,975.41	4,349.36
		4,257.04	4,440.63
c	Less: Raw material inventory at the end of year	247.66	281.63
	Total Cost of materials consumed	4,009.38	4,159.00

NOTE : 24 PURCHASES OF STOCK-IN-TRADE

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Purchase of Accessories	0.17	0.11
	Total	0.17	0.11

NOTE : 25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Opening balances		
	1. Finished goods manufactured	365.02	255.99
	2. Work-in-Progress	38.67	26.50
	3. Stock-in-trade	0.03	0.02
		403.72	282.51
b	Closing balances		
	1. Finished goods manufactured	252.22	365.02
	2. Work-in-Progress	84.61	38.67
	3. Stock-in-trade	0.06	0.03
		336.89	403.72
	Total	66.83	(121.21)

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(All amounts in ₹ million, unless otherwise stated)

NOTE : 26 EMPLOYEE BENEFITS EXPENSES

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Salaries, wages and bonus	398.15	353.82
b	Contribution to provident and other funds (Refer note 1 below)	23.09	30.47
c	Staff welfare expenses	52.44	47.71
	Total	473.68	432.00

- Note: 30 (i) gives details of Defined Benefit plans and Defined Contribution plans
- The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

Note : 27 FINANCE COSTS

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Interest on term loans on ECB	21.28	86.59
b	Interest on Working Capital Demand Loan	55.78	44.54
c	Interest on employee benefits	1.16	0.32
d	Unwinding of interest on remeasurement of long term financial liability	19.94	18.72
e	Interest on Lease Liabilities	0.31	1.77
f	Other borrowing costs	1.17	0.90
g	Interest on Term Loan	7.32	0.00
	Total	106.96	152.84

NOTE : 28 DEPRECIATION AND AMORTISATION EXPENSE

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Depreciation on property, plant and equipment	408.89	261.53
b	Depreciation on right of use assets	6.58	22.43
	Total	415.47	283.96

Depreciation is recognized in statement of profit and loss during the period.

NOTE : 29 CONSUMPTION - STORES & SPARES

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Opening Stock	56.05	27.87
b	Add: Purchases	575.01	519.55
		631.06	547.42
c	Less: Closing Stock	36.68	56.05
	Cost of stores & spares consumed	594.38	491.37

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(All amounts in ₹ million, unless otherwise stated)

NOTE : 30 OTHER EXPENSES

Sr. No	Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
a	Manufacturing expenses		
1.	Power and fuel	616.33	541.73
2.	Contract labour	147.50	114.84
3.	Royalty	105.14	97.12
4.	Processing charges- Remelting	84.66	76.85
5.	Others-manufacturing expenses	21.80	17.71
6.	Repairs and maintenance	46.73	29.11
7.	Annual maintenance charges	6.25	6.42
		1,028.41	883.78
b	Administrative Expenses		
1.	Legal and professional fees	75.81	65.93
2.	Rent, rates and taxes	33.88	30.33
3.	General administration expenses	39.66	21.25
4.	Insurance	14.37	13.15
5.	Security expenses	13.15	11.10
6.	Hedging and bank charges	6.91	8.85
7.	Loss on sale of property, plant and equipment	-	6.25
8.	Loss on mark to market on forward contract	3.44	-
9.	Auditor's remuneration (refer note 31(f))	2.14	2.11
		189.36	158.97
c	Selling & Distribution Expenses		
1.	Transportation expenses	190.82	179.16
2.	General selling and distribution expenses	6.03	2.39
3.	Customer claim	0.02	1.02
		196.87	182.57
	Total	1,414.64	1,225.32

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(All amounts in ₹ million, unless otherwise stated)

NOTE : 31 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

Sr. Particulars
No

a Equity Share Capital

In the current year no additional shares were issued.

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

Particulars	As at December 31, 2023	As at December 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	14.26	15.04
(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	-	-

1. 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.

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

The company does not have any amount of loans and advances in nature of loans outstanding from subsidiaries as at December 31, 2023 and December 31, 2022

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 :

Particulars	As at December 31, 2023 in Foreign currency	As at December 31, 2022 in Foreign currency
Forward Contracts against Imports		
- In US Dollars Number of contracts.....CY (7) PY (5)	3,876,273	2,302,555
- In Japanese Yen Number of contracts.....CY (Nil) PY (Nil)	-	-
	3,876,273	2,302,555
	In Indian Rupees	In Indian Rupees
- Equivalent Indian Rupees (reference- FBIL as at December 31, 2023 and December 31, 2022)	323.08	188.13

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(All amounts in ₹ million, unless otherwise stated)

e Details of CSR Expenditure

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Gross Amount to be spent during the year	-	-
a. Construction/acquisition of any asset	-	-
b. Purpose other than (a) above	-	-
Amount spent during the year	-	-
Balance amount unspent/ (excess spent) as at close of the financial year	-	-

f Auditors Remuneration

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
(i) For Audit Fees		
Statutory Audit	1.52	1.52
Limited Reviews	0.45	0.45
(ii) For Certification		
Corporate Governance	0.10	0.10
Other Certificates	0.01	0.01
(iii) Out of Pocket Expenses	0.06	0.04
	2.14	2.12

g Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at December 31, 2023	As at December 31, 2022
(I) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts -		
i. Disputed tax liabilities under the Income Tax Act (Amount of ₹ 11.07 million) (Previous year ₹ 11,07 million) has been paid under protest	38.89	31.76
ii. Disputed tax liabilities under MVAT and CST (Amount of ₹ Nil (Previous year ₹ 44,69 million) has been paid under protest)	-	9.72
iii. Disputed tax liabilities under Central Excise Act (Amount of ₹ 0.13 million (Previous year ₹ Nil) has been paid under protest)	5.27	5.27
(b) Guarantees issued by the banks	21.33	15.39
(II) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible Assets	201.47	100.02

Notes:

- It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities
- The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.
- The Company does not expect any reimbursements in respect of the above contingent liabilities.

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(All amounts in ₹ million, unless otherwise stated)

h Earning per Share as computed in accordance with Ind AS -33

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Net profit / (loss) for the year	116.95	37.11
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	116.95	37.11
Weighted average number of equity shares for calculation of Basic EPS	17,974,895	17,974,895
Weighted average number of equity shares for calculation of Diluted EPS	17,974,895	17,974,895
Face value per share	₹ 5/- per share	₹ 5/- per share
Earnings per share - Basic	6.51	2.06
Earnings per share - Diluted	6.51	2.06

i Details of employee benefits as required by Ind-AS 19 - Employee benefits are as under:

1. Defined contribution plan - Provident fund

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 has recognised the following amounts in its Statement of Profit and Loss.

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Contributions to employer provident fund	15.65	13.66
Contribution to employer state insurance	1.21	1.30

(included in notes 26)

2. Defined benefit plan

- i) The defined benefit plan comprises gratuity and compensated absences which are funded.
- ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as company take on uncertain long term obligations to make future benefit payments.

iii) Liability risks

a) Asset-liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements.

b) Discount rate risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

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(All amounts in ₹ million, unless otherwise stated)

c) Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

iv) Asset risks

All plan assets are maintained in a trust fund managed by a public sector insurer viz. LIC of India and other insurance companies. LIC and other insurance companies have a sovereign guarantee and have been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. The same account is maintained for both the investment and claim settlement and hence 100% liquidity is ensured and also interest rate and inflation risks are taken care of.

The following table summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plans.

Gratuity

Changes in present value of defined benefit obligation	As at December 31, 2023	As at December 31, 2022
Present value of defined benefit obligation at the beginning of the year	41.80	36.13
Current service cost	3.29	3.04
Interest cost	3.13	2.48
Actuarial loss / (Gain) recognised in other comprehensive income		
a) Financial (Gain)/Loss on plan liabilities	1.10	(3.00)
b) Demographic (Gain)/Loss on plan liabilities	-	-
c) Experience (Gain)/Loss on plan liabilities	2.57	4.45
Past service cost	-	-
Benefits paid	(1.34)	(1.32)
Present value of defined benefit obligation at the end of the year	50.55	41.80

Change in the fair value of plan assets	As at December 31, 2023	As at December 31, 2022
Fair Value of plan assets at the beginning of the period	36.33	29.43
Interest Income	2.76	2.23
Return on plan assets, excluding interest income	(0.30)	0.18
Contributions	1.20	6.00
Mortality charges and taxes	(0.28)	(0.23)
Benefit paid	(1.29)	(1.28)
Fair Value of plan assets at the end of the period	38.42	36.33

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(All amounts in ₹ million, unless otherwise stated)

Analysis of defined benefit obligation	As at December 31, 2023	As at December 31, 2022
Present value of obligation as at the end of the year	50.55	41.80
Fair Value of Plan Assets at the end of the Period	38.42	36.33
Net (asset) / liability recognized in the Balance Sheet	12.13	5.46
Bifurcation of liability		
Current Liability	12.13	5.46
Non-Current Liability	38.42	36.33
Net (asset) / liability recognized in the Balance Sheet	12.13	5.46

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	3.29	3.04
Net Interest Cost	0.37	0.26
Past Service Cost	-	-
Mortality charges and taxes	0.28	0.23
Expenses recognized in the Statement of Profit and Loss	3.95	3.53

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	For the year ended December 31, 2023	For the year ended December 31, 2022
Actuarial loss / (gain)	3.67	1.45
Return on plan assets, Excluding interest income	0.30	(0.18)
Net (income)/expense recognized in the OCI	3.97	1.27

Analysis of defined benefit obligation	As at December 31, 2023	As at December 31, 2022
Net opening provision in books of accounts	5.46	6.70
Employee Benefit Expense	3.95	3.53
Amounts recognized in Other Comprehensive Income	3.97	1.27
Claims received from the insurer in lieu of Unpaid Gratuity Benefits	0.15	-
Benefits directly paid by company	(0.20)	(0.04)
Contribution for the period	(1.20)	(6.00)
Net (asset) / liability recognized in the Balance Sheet	12.13	5.46

Composition of the plan assets	For the year ended December 31, 2023	For the year ended December 31, 2022
Policy of insurance	100%	100%
Total	100%	100%

Actuarial Assumptions:	For the year ended December 31, 2023	For the year ended December 31, 2022
Discount rate	7.4%	7.6%
Salary Escalation	6.0%	6.0%

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(All amounts in ₹ million, unless otherwise stated)

Withdrawal rates per annum	For the year ended December 31, 2023	For the year ended December 31, 2022
- 25 years and below	5.0%	5.0%
- 26 to 35 years	4.0%	4.0%
- 36 to 45 years	3.0%	3.0%
- 46 to 55 years	2.0%	2.0%
- 56 years and above	1.0%	1.0%

- a. The discount rate is based on prevailing market yield of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions	For the year ended December 31, 2023		For the year ended December 31, 2022	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	47.85	53.45	39.50	44.27
Future salary growth (0.5% movement)	53.23	48.03	44.09	39.64
Attrition rate (0.5% movement)	50.85	50.24	42.10	41.48

Weighted average assumptions used to determine net periodic benefit cost

Withdrawal rates per annum	For the year ended December 31, 2023	For the year ended December 31, 2022
Number of active members	369	359
Per month salary cost for active members	7.35	6.52
Average monthly salary	19,912	18,153
Average age (years)	39.86	39.41
Weighted average duration of the projected benefit obligation (years)	12.95 years	12.62 years
Average expected future service (years)	13.62 years	13.93 years
Prescribed contribution for next year (12 Months)	10.00	6.00

Compensated Absences -

Privilege Leave

Changes in present value of defined benefit obligation	As at December 31, 2023	As at December 31, 2022
Present value of defined benefit obligation at the beginning of the year	31.58	20.54
Current service cost	3.19	2.17
Interest cost	2.36	1.40
Actuarial loss/(Gain)		
a) Financial (Gain)/Loss on plan liabilities	0.65	6.92
b) Demographic (Gain)/Loss on plan liabilities	-	(0.61)
c) Experience (Gain)/Loss on plan liabilities	(1.91)	2.13
Past service cost		
Benefits paid	(0.97)	(0.97)
Present value of defined benefit obligation at the end of the year	34.90	31.58

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(All amounts in ₹ million, unless otherwise stated)

Change in the fair value of plan assets	As at December 31, 2023	As at December 31, 2022
Fair Value of plan assets at the beginning of the period	20.62	19.15
Interest Income	1.57	1.34
Return on plan assets, excluding interest income	(0.09)	0.04
Contributions	1.00	1.00
Mortality charges and taxes	(0.04)	(0.04)
Benefit paid	(0.98)	(0.87)
Fair Value of plan assets at the end of the period	22.08	20.62

Analysis of defined benefit obligation- Privilege leave	As at December 31, 2023	As at December 31, 2022
Present value of obligation as at the end of the year	34.90	31.58
Fair Value of Plan Assets at the end of the Period	22.08	20.62
Net (asset) / liability recognized in the Balance Sheet	12.82	10.97
Bifurcation of liability		
Current Liability	12.82	10.97
Non-Current Liability	22.08	20.62
Net (asset) / liability recognized in the Balance Sheet	12.82	10.97

Analysis of defined benefit obligation- Sick leave	As at December 31, 2023	As at December 31, 2022
Present value of obligation as at the end of the year	5.24	4.90
Fair Value of Plan Assets at the end of the Period	-	-
Net (asset)/liability recognized in the Balance Sheet	5.24	4.90
Bifurcation of liability		
Current Liability	5.24	4.90
Non-Current Liability	-	-
Net (asset) / liability recognized in the Balance Sheet	5.24	4.90

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	For the year ended December 31, 2023	For the year ended December 31, 2022
Current service cost	3.19	2.17
Net Interest Cost	0.80	0.06
Remeasurement Cost/ (Credit) for the year	(1.17)	8.40
Past Service Cost	-	-
Mortality charges and taxes	0.04	0.04
Expenses recognized in the Statement of Profit and Loss	2.85	10.67

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(All amounts in ₹ million, unless otherwise stated)

Analysis of defined benefit obligation	As at	
	December 31, 2023	December 31, 2022
Net asset / (liability) recognized in the Balance Sheet	(10.97)	(1.39)
Employee Benefit Expense	(2.85)	(10.67)
Benefits directly paid by the company	(0.01)	0.10
Contributions	1.00	1.00
Net asset / (liability) recognized in the Balance Sheet	(12.82)	(10.97)

Composition of the plan assets	For the year ended	
	December 31, 2023	December 31, 2022
Policy of insurance	100%	100%
Total	100%	100%

Actuarial Assumptions:	For the year ended	
	December 31, 2023	December 31, 2022
Discount rate	7.40%	7.60%
Salary Escalation	10.00%	10.00%

Withdrawal rates per annum	For the year ended	
	December 31, 2023	December 31, 2022
- 25 years and below	5.00%	5.00%
- 26 to 35 years	4.00%	4.00%
- 36 to 45 years	3.00%	3.00%
- 46 to 55 years	2.00%	2.00%
- 56 years and above	1.00%	1.00%

- The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions	For the year ended		For the year ended	
	December 31, 2023		December 31, 2022	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	33.30	36.62	30.22	33.05
Future salary growth (0.5% movement)	36.41	33.48	32.86	30.38
Attrition rate (0.5% movement)	35.19	34.61	31.84	31.32

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(All amounts in ₹ million, unless otherwise stated)

Weighted average assumptions used to determine net periodic benefit cost

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Number of active members	369	359
Total Monthly leave encashment salary in Rupees	16.55	14.54
Total Monthly leave availment salary in Rupees	23.90	21.03
Average age (years)	39.86 years	39.41 years
Total Leave Balances in days		
Privilege Leave	16,998	17,061
Average past services in years	12.95	12.62

j The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (under the section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)), as disclosed below:

A. Names of related parties and description of relationship:

(i) Related parties with whom transactions have taken place during the year/previous year and the nature of related party relationship:

Entity Name	Relationship
Enkei Corporation, Japan	Holding company
Enkei Audit & Computer Services Ltd.	Group Entities
Enkei Thai Co. Ltd.	Group Entities
Enkei Thai Mouldings Ltd.	Group Entities
Enkei Asia Pacific Co. Ltd.	Group Entities
PT. Enkei Indonesia	Group Entities
Nikkei CMR Aluminium India Pvt. Ltd.	Joint Venture company

(ii) Key Management Personnel (KMP)

Name	Relationship
Junichi Suzuki	Non-Executive Director
Shailendrajit Rai	Non-Executive Director
Haresh Shah	Non-Executive Independent Director
GSV Prasad	Non-Executive Independent Director
Smita Patti	Non-Executive Independent Director
Makoto Miura (from August 07, 2023)	Non-Executive Director - Alternate Director
Kazuo Suzuki (till February 23, 2024)	Managing Director
Jitendra Parmar	Chief Financial Officer
Sourav Choudhury	Company Secretary
Kenjiro Hama (from February 23, 2024)	Managing Director

(iii) Others

Enkei Wheels (India) Ltd. Employees group gratuity scheme Post Employment Benefits

(iv) Other entities over which key management personnel and their relatives are able to exercise significant influence

Alicon Castalloy Ltd.	Entities over which key management personnel and their relatives are able to exercise significant influence
HU Consultancy Pvt. Ltd.	
GSV Prasad & Co.	

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(All amounts in ₹ million, unless otherwise stated)

B. Transactions with related parties

Particulars	Holding company		Group Entities		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives		Others		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Sale of goods	3.74	0.88	-	-	-	-	-	-	-	-	3.74	0.88
Purchase of goods	36.54	23.30	3.60	0.80	23.99	27.17	-	-	-	-	64.12	51.27
Purchase of property, plant and equipment	82.23	11.24	148.03	91.9	-	-	-	-	-	-	230.26	103.17
Services received	15.06	13.80	8.39	5.31	34.55	36.66	-	-	-	-	58.00	55.77
Re-imbursement of expenses received	0.13	-	-	-	-	-	-	-	-	-	0.13	-
Rent paid	-	-	-	-	22.22	23.82	-	-	-	-	22.22	23.82
Remuneration	-	-	-	-	-	-	1.44	1.44	-	-	1.44	1.44
Sitting fees	-	-	-	-	-	-	0.16	0.20	-	-	0.16	0.20
Short-term employee benefits	-	-	-	-	-	-	19.85	20.30	-	-	19.85	20.30
Post-employment benefits	-	-	-	-	-	-	0.22	0.20	-	-	0.22	0.20
Royalty expense	105.14	97.12	-	-	-	-	-	-	-	-	105.14	97.12
Interest paid	13.68	7.88	-	-	-	-	-	-	-	-	13.68	7.88
Guarantee fees	0.72	-	-	-	-	-	-	-	-	-	0.72	-
Re-imbursement of expenses paid	49.27	53.28	-	1.63	-	-	-	-	-	-	49.27	54.91
Loan taken	255.51	-	-	-	-	-	-	-	-	-	255.51	-
Post Retirement Benefit Plans	-	-	-	-	-	-	-	-	1.20	6.00	1.20	6.00
Total	562.01	207.49	160.02	99.67	80.76	87.65	21.66	22.13	1.20	6.00	825.64	422.95

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(All amounts in ₹ million, unless otherwise stated)

B1. Transactions with related parties

Particulars	For the year ended December 31, 2023	For the year ended December 31, 2022
Sale of goods		
Enkei Corporation, Japan	3.74	0.88
Purchase of goods		
Enkei Corporation, Japan	36.54	23.30
Enkei Asia Pacific Co. Ltd.	3.60	0.80
Alicon Castalloy Ltd.	23.99	27.17
Purchase of property, plant and equipment		
Enkei Corporation, Japan	82.23	11.24
Enkei Thai Mouldings Ltd.	142.47	91.94
Enkei Asia Pacific Co. Ltd.	5.56	-
Services received		
Enkei Corporation, Japan	15.06	13.80
Enkei Audit & Computer Services Ltd.	2.18	0.59
Enkei Asia Pacific Co. Ltd.	5.53	4.43
Enkei Thai Co. Ltd.	0.68	0.28
Alicon Castalloy Ltd.	31.90	33.96
HU Consultancy Pvt. Ltd.	1.63	1.63
GSV Prasad & Co.	1.03	1.07
Re-imburement of expenses received		
Enkei Corporation, Japan	0.13	-
Rent paid		
Alicon Castalloy Ltd.	22.22	23.82
Royalty expense		
Enkei Corporation, Japan	105.14	97.12
Interest paid		
Enkei Corporation, Japan	13.68	7.88
Guarantee fees		
Enkei Corporation, Japan	0.72	-
Re-imburement of expenses paid		
Enkei Corporation, Japan	49.27	53.28
Enkei Thai Co. Ltd.	-	1.63
Loan taken		
Enkei Corporation, Japan	255.51	-
Remuneration to Managing Director		
Remuneration/Short term benefit	14.98	16.07
Remuneration to Independent Directors		
Remuneration	1.44	1.44
Sitting Fees	0.12	0.16
Remuneration to Non-executive Directors		
Sitting Fees	0.04	0.04
Remuneration to other Key Managerial personels		
Short term benefit	4.86	4.23
Post-employment benefits	0.22	0.20
Other long term benefits	-	-
Termination benefits	-	-
Post-employment benefits		
Enkei Wheels India Ltd. Employees group gratuity scheme	1.20	6.00

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

C Balances with related parties at the year end

Particulars	Holding company		Group Entities *		Entities over which key management personnel and their relatives are able to exercise significant influence		Key management personnel and relatives		Others		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Receivables	2.82	-	0.74	-	-	-	-	-	-	-	3.56	-
Payables	49.94	36.87	253.24	226.08	4.60	6.96	-	-	-	-	307.78	269.91
Borrowings	907.00	694.44	-	-	-	-	-	-	-	-	907.00	694.44
Guarantee/Letter of comfort	518.70	677.06	-	-	-	-	-	-	-	-	518.70	677.06
											1,737.03	1,641.41

* Payables to group entities represents liability component of financial instrument as required under IND AS 109.

k Segment information

The Company operates in single segment, manufacture and sale of Alloy Wheels. The revenues from customers attributed to the Company's country of domicile amount to ₹ 7,161.4 million Previous Year ₹ 6,634.9 million and revenues attributed to all foreign countries amount to ₹ 3.7 million. Previous ₹ 0.88 million. During the year five customers (previous year: four customer) of the Company contributed to more than 10% of the total Revenues amounting to ₹ 6,400.5 million Amt.- 1. ₹ 1,604.7 million Amt.- 2. ₹ 1,476.2 million Amt.- 3. ₹ 1,238.2 million Amt.- 4. ₹ 1,147.1 million 5. ₹ 934.4 million respectively. (previous year ₹ 5,897.9 million) Amt. - 1. ₹ 1,920.2 million Amt. - 2. ₹ 1,376.3 million Amt.- 3. ₹ 963.17 million Amt.- 5. ₹ 906.9 million 5. ₹ 731.4 million respectively.

I Financial Instruments

i) Financial Instruments by category

The carrying value of financial instruments by categories as on December 31, 2023 are as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Trade receivables	846.41	-	-	846.41
Cash and cash equivalents	108.37	-	-	108.37
Bank balances other than cash and cash equivalent	8.94	-	-	8.94
Other financial assets	47.80	-	-	47.80
Investments	-	-	39.09	39.09
Total Assets	1,011.52	-	39.09	1,050.61
Liabilities				
Borrowings	1,665.04	-	-	1,665.04
Trade payables	972.71	-	-	972.71
Other Financial liabilities	63.70	0.23	0.14	64.08
Lease liabilities	1.52	-	-	1.52
Total Liabilities	2,702.97	0.23	0.14	2,703.35

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

The carrying value of financial instruments by categories as on December 31, 2022 are as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Trade receivables	571.71	-	-	571.71
Cash and cash equivalents	66.32	-	-	66.32
Bank balances other than cash and cash equivalent	8.50	-	-	8.50
Other financial assets	50.46	-	-	50.46
Investments	-		32.48	32.48
Total Assets	696.99		32.48	729.47
Liabilities				
Borrowings	1,614.89	-	-	1,614.89
Trade payables	871.31	-	-	871.31
Other Financial liabilities	70.11	-	0.95	71.06
Lease liabilities	9.61	-	-	9.61
Total Liabilities	2,565.92		0.95	2,566.87

ii) Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, deposits, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short-term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on December 31, 2023:

Particulars	As at December 31, 2023	Fair value measurement as at December 31, 2023		
		Level 1	Level 2	Level 3
Financial Assets- Equity Instrument measured at FVTOCI	39.09	-	-	39.09
Financial Assets- Equity Instrument measured at FVTPL	-	-	-	-
Derivative financial liability measured at FVTOCI	0.14	-	-	0.14
Derivative financial liability measured at FVTPL	0.23	-	0.23	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on December 31, 2022 :

Particulars	As at December 31, 2022	Fair value measurement as at December 31, 2023		
		Level 1	Level 2	Level 3
Financial Assets- Equity Instrument measured at FVTOCI	32.48	-	-	32.48
Financial Assets- Equity Instrument measured at FVTPL	-	-	-	-
Derivative financial liability measured at FVTOCI	0.95	-	-	0.95
Derivative financial liability measured at FVTPL	-	-	-	-

Fair valuation report dated January 18, 2024 issued by a registered valuer based on financial statements of investee as on March 31, 2023, has been considered for valuing equity instruments at fair value based on information available with the Company. No significant change in fair valuation is expected between date of purchase and reporting date.

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Valuation technique and significant unobservable inputs:

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. Company does not value any financial instruments under Level 1.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Financial Instruments measured/carried at amortised cost :

The management believes that the fair value of financial assets and financial liabilities, both current and non-current, measured at amortised cost is not materially different from carrying amount.

iii) Financial risk management

The Company's activities exposes it various financial risks, such as market risk (including currency risk, interest rate risk and price risk), credit risks and liquidity risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company's management have overall responsibility for the establishment and oversight of the Company's risk management framework. Derivatives are used for hedging of foreign currency liabilities and not as a trading or speculative purposes.

The Company has exposure to the following risks arising from financial instruments :

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers, bank balances and cash deposits. To manage this, the Company periodically assesses the balances of its trade receivables. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss, if any.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

i. Trade receivables

The management has established the policies under which customer accounts are regularly reviewed and monitored. The Company has a dedicated sales team which is responsible for reviewing, monitoring customer accounts and collecting dues from them within the credit period. A significant portion of Company's customer base comprises OEMs where payments generally are within time. Accordingly, historically there have been limited write offs experienced by the Company on account of non-collection of trade receivables'

ii. Financial instruments and Cash deposits

Credit risk from bank balances, bank deposits, derivative financial instruments are considered immaterial in view of the creditworthiness of the banks the Company works with. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's

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(All amounts in ₹ million, unless otherwise stated)

policy. The company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both, in normal and exceptional conditions.

In this respect, the Company' strategy, articulated by its Treasury Department, is to maintain the necessary financing flexibility through the availability of committed credit lines.

The Company has a view of maintaining liquidity and to take minimum possible risk for which company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risks, interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables and deposits with banks.

i. Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (₹) and in other foreign currencies such as USD and JPY. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where purchases (about 80 % of total purchases) is denominated in a foreign currency. The Company manages its foreign currency risk by hedging some part of its foreign currency liabilities loan using foreign currency forward contracts . The Company negotiates the terms of those foreign currency forward contracts to match the terms of the hedged exposure.

The details of foreign currency exposures that have not been hedged by derivative instruments at the Balance Sheet date are provided in Note 31(d) of the financial statements. The same is reproduced here.

Nature of exposure	Currency	As at December 31, 2023		As at December 31, 2022	
		Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees
External Commercial Borrowings	JPY	1,708,666,670.00	1,005.04	1,718,000,002.00	1,072.89
Payable towards Property, Plant and Equipment	USD	77,327.00	6.43	-	-
Payable towards Property, Plant and Equipment	EUR	-	-	38,800.00	3.42
Capex Advance towards Property, Plant and Equipment	EUR	-	-	(100,500.00)	(8.41)
Trade Payables	USD	7,224,374.72	598.89	8,056,439.00	666.96
	JPY	43,111,133.40	25.36	29,825,048.04	18.63
Total Liabilities			1,635.72		1,753.49
Less : Trade Receivables and others	JPY	33,896.64	2.82	-	-
Net liabilities / (assets)			1,632.90	-	1,753.49

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For the year ended December 31, 2023	USD	+5%	(30.27)	(30.27)
		-5%	30.27	30.27
	EUR	+5%	-	-
		-5%	-	-
	JPY	+5%	(51.38)	(51.38)
		-5%	51.38	51.38
For the year ended December 31, 2022	USD	+5%	(33.35)	(33.35)
		-5%	33.35	33.35
	EUR	+5%	0.25	0.25
		-5%	(0.25)	(0.25)
	JPY	+5%	(54.58)	(54.58)
		-5%	54.58	54.58

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. the interest rate profile at the reporting date, the Company's interest bearing financial instruments are follows:

Particulars	As at December 31, 2023	As at December 31, 2022
Fixed rate instruments		
External commercial borrowings	350.04	1,324.89
Variable rate instruments		
Working capital demand loans	300.00	290
External commercial borrowings	907.00	-
Term loan	108.00	-

The sensitivity analysis below has been determined based on exposure to interest rate. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Interest rate sensitivity on fixed rate instruments

Particulars	As at December 31, 2023	As at December 31, 2022
Impact on profit before tax		
Increase by 50 basis points	(6.00)	(6.00)
Decrease by 50 basis points	6.00	6.00

Interest rate sensitivity on variable rate instruments

Particulars	As at December 31, 2023	As at December 31, 2022
Impact on profit before tax		
Increase by 50 basis points (0.5%)	(3.00)	(3.00)
Decrease by 50 basis points (0.5%)	3.00	3.00

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(All amounts in ₹ million, unless otherwise stated)

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company maintains healthy capital gearing ratio by keeping debts to the minimum possible.

No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2023 and December 31, 2022.

o Leases

The Company as a Lessee

The Company's leases primarily consists of leases for buildings and plant and equipments. Generally, the contracts are made for fixed periods and does not have a purchase option at the end of the lease term.

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
The incremental borrowing rate applied to lease liabilities is 8.76%

Following are the changes in the carrying value of right of use assets :

Particulars	As at December 31, 2023	As at December 31, 2022
Balance at the beginning	7.91	30.01
Additions	-	0.34
Deletions	-	-
Depreciation	6.58	22.44
Balance at the end	1.32	7.91

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense.

The following is the break-up of current and non-current lease liabilities as at December 31, 2023

Particulars	As at December 31, 2023	As at December 31, 2022
Current lease liabilities	1.52	8.09
Non-current lease liabilities	-	1.52
Total	1.52	9.61

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(All amounts in ₹ million, unless otherwise stated)

The following is the movement in lease liabilities during the period ended December 31, 2022:

Particulars	As at December 31, 2023	As at December 31, 2022
Balance at the beginning	9.61	35.52
Additions	-	0.34
Finance cost accrued during the period	0.31	1.77
Deletions	-	-
Payment of lease liabilities	8.40	28.01
Balance at the end	1.52	9.61

The table below provides details regarding the contractual maturities of lease liabilities as at December 31, 2022 on an undiscounted basis:

Particulars	As at December 31, 2023	As at December 31, 2022
Less than one year	1.56	8.40
One to five years	-	1.56
More than five years	-	-
Total	1.56	9.96

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Amount recognised in the statement of profit and loss

The statement of profit and loss shows the following amounts relating to leases :

Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
Depreciation charge of right-of use assets		
Buildings	6.58	20.52
Plant and Equipments	-	1.91
Total	6.58	22.44

Particulars	For the Year ended December 31, 2023	For the Year ended December 31, 2022
Interest expense on lease liabilities (Included in finance cost)	0.31	1.77
Total	0.31	1.77

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

RATIOS ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2023

NOTE : 32 RATIO ANALYSIS

Ratio	Numerator	Denominator	Previous year	Current year	% Variance	Remarks
Current Ratio (times)	Current Assets	Current Liabilities	1.02	1.05	3.6%	Not applicable
Debt-Equity Ratio (times)	Total Debt (Non-current Debt + Current debt)	Shareholder's Equity (Equity)	0.73	0.71	-2.2%	Not applicable
Debt Service Coverage Ratio (times)	Earnings available for debt service (PAT + Depreciation & Amortisations + Interest +- Loss/ (Profit) on sale of Fixed Assets)	Debt Service (Interest & Lease Payments + Principal Repayments)	0.94	1.85	97.4%	The increase is due to increase in earnings available for debt service and decrease in debt service pursuant to repayment of loans in previous year
Return on Equity Ratio (%)	Net Profits after taxes	Average Shareholder's Equity	1.73	0.05	-97.0%	Increase in Return on Equity Ratio is due to increase in net profit after taxes for the year as compared to previous year.
Inventory turnover ratio (times)	Sales	Average Inventory (Opening + Closing balance /2)	11.54	10.44	-9.5%	Not applicable
Trade Receivables turnover ratio (times)	Net Credit Sales	Avg. Accounts Receivable (Opening + Closing balance /2)	10.41	10.10	-3.0%	Not applicable
Trade payables turnover ratio (times)	Net Credit Purchases	Average Trade Payables (Opening + Closing balance /2)	9.59	6.63	-30.8%	Decrease in ratio is due to decrease in net credit purchases during the year pursuant to decrease in cost as compare to previous year.
Net capital turnover ratio (times)	Net Sales	Working Capital	214.24	136.06	-36.5%	Decrease in net capital turnover ratio is due to increase in revenue from operation and increase in trade payables and decrease in Inventory.

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Ratio	Numerator	Denominator	Previous year	Current year	% Variance	Remarks
Net profit ratio (%)	Net Profits after taxes	Net Sales	0.56	1.63	192.0%	Net Profit ratio is increased due to increase in net profit during the current year as result of increase in revenue from operations with disproportionate increase in fixed cost.
Return on Capital employed (%)	Earning before interest and taxes (EBIT)	Capital Employed (Tangible Net Worth + Total Debt + Deferred Tax Liability)	6.49	6.69	3.1%	Not applicable
Return on investment (%)	Income generated from investments	Time weighted average investments	13.05	20.37	56.1%	During the year investments value increased as compared to previous year

33 RELATIONSHIPS WITH STRUCK OFF COMPANIES

The Company did not enter into any transaction with Companies struck off from Registrars of Companies (ROC) records for the period ended December 31, 2023.

34 Accounting pronouncements not yet effective—

1. Ind AS 1, Presentation of Financial Statements

Companies now need to report material accounting policies, rather than significant accounting policies. Accounting policy information, together with other information, is considered material when it is reasonably likely to impact the judgments of primary users of general purpose financial statements.

2. Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors

The definition of 'change in accounting estimate' has been replaced with 'accounting estimate'. Accounting estimates, by definition, are amounts reported in financial statements that are subject to measurement error. A Company creates an accounting estimate to fulfil the goal defined by its accounting policy. Accounting estimates include selecting a measuring approach (e.g., estimation or valuation). Choosing the inputs to be utilized while doing the desired measurement.

3. Ind AS 12, Income Taxes

Reduced the scope of the Initial Recognition Exemption (in terms of leases and decommissioning responsibilities). Now, Initial Recognition Exemption does not apply to transactions that result in equal and offsetting transitory changes. As a result, companies will need to identify a deferred tax asset and a deferred tax liability for temporary differences originating from transactions such as initial recognition of a lease and decommissioning. The Company does not expect a significant impact of these accounting pronouncements on its financial statements

- 35** 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.
- 36** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 37** The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period
- 38** The Company has not entered into any cryptocurrency transactions during the financial year nor has balance at the year end.

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

- 39** To the best of our knowledge and belief,
- a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- b) Also No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 40** The Company does not have any pending litigations which will have impact on its financial position in its financial statements. Other than those disclosed in Note 31(g).
- 41** The Company has not revalued its PPE in current financial year.
- 42** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship/extent of holding of the company in such downstream companies
- 43** The Company has no unrecorded transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- 44** The Company is not declared wilful defaulter by any bank or financial institution or other lender
- 45** The Company does not have any long-term contracts including derivative contracts for which there are material foreseeable losses.
- 46** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 47** Figures of the previous year have been regrouped and reclassified wherever necessary to correspond with the current year classification /disclosure.

The accompanying notes form part of these financial statements from note 1 to 47.

As per our report of even date attached

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No. 105215W/W100057

Anand Jog

(Partner)

Membership No. : 108177

Place: Pune

Date: February 23, 2024

For and on behalf of the Board of Directors

of Enkei Wheels (India) Limited

Kenjiro Hama

(Managing Director)

(DIN : 10516270)

Haresh Shah

(Director)

(DIN : 00228471)

Jitendra Parmar

(Chief Financial Officer)

Place: Pune

Date: February 23, 2024

Sourav Chowdhury

(Company Secretary and

Compliance Officer)



ENKEI WHEELS (INDIA) LIMITED

CIN: L34300PN2009 PLC 133702

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 '**FIFTEENTH ANNUAL GENERAL MEETING**' of the Company to be held on Wednesday, May 22, 2024 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(s) 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: L34300PN2009 PLC 133702

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/ Members of Enkei Wheels (India) Limited, hereby appoint:

1. Name:Address:

Email ID:, Signature: or failing him;

2. Name: Address:

Email ID:, Signature: or failing him;

3. Name: Address:

Email ID:, Signature:

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Fifteenth Annual General Meeting of the Company scheduled to be held on Wednesday May 22, 2024 or at adjourned thereof, in respect of the following resolutions.

ORDINARY BUSINESS:

ITEM NO. 1 - To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on December 31, 2023 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.

SPECIAL BUSINESS:

ITEM NO. 3 - To appoint auditors and to fix their remuneration

ITEM NO. 4- Ratification of Appointment of Mr. Kenjiro Hama as Managing Director w.e.f. February 23, 2024

ITEM NO. 5 - Appointment of Mr. Ratanlal Goel (DIN: 07663394) as an Independent non executive Director

ITEM NO. 6 - Appointment of Mr. Satchidanand Ranade (DIN: 03525423) as an Independent non-executive Director

ITEM NO. 7 - Appointment of Ms. Kavita Sethi Jain (DIN: 07964461) as an Independent Woman non-executive Director

ITEM NO. 8- To approve the Material Related Party Transactions

Signed this Day of 2024, Folio No. / DP ID/ Client ID

Signature of Shareholder.....

Signature of Proxy Holder.....



NOTES:

- (I) The Proxy, in order to be effective, must be signed and submitted so as to reach the Registered Office of the Company at Gat No. 1425, Village Shikrapur, Taluka Shirur, Pune-412208 not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting.
- (ii) Members having multiple folios with different joint-holders may use photo-copies of this Attendance Slip/ Proxy Form.
- iii) For Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 15th Annual General Meeting.

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 Number of Ordinary Share(s) held.....
4. I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Fifteenth Annual General Meeting (AGM) of the Company to be held on on Wednesday May 22, 2024 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 on December 31, 2023 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.			
3.	To appoint auditors and to fix their remuneration			
4.	Ratification of Appointment of Mr. Kenjiro Hama as Managing Director w.e.f. February 23, 2024			
5.	Appointment of Mr. Ratanlal Goel (DIN: 07663394) as an Independent non executive Director			
6.	Appointment of Mr. Satchidanand Ranade (DIN: 03525423) as an Independent non-executive Director			
7.	Appointment of Ms. Kavita Sethi Jain (DIN: 07964461) as an Independent Woman non-executive Director			
8.	To approve the Material Related Party Transactions			

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 05.00 p.m. on May 21, 2024 shall only be considered.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Shailesh Indapurkar, Practising Company Secretary, Unit: Enkei Wheels (India) Limited. C/o. Link Intime India Pvt. Ltd., C-101, 247 Park, 01st Floor, L.B.S Marg, Vikhroli (West), Mumbai- 400083, so as to reach by IST 05.00 p.m. of May 21, 2024. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e., Link Intime India Pvt. Ltd. Members are requested to keep the same updated.
6. There will be only one Ballot Form for every Folio / DPID Client ID irrespective of the number of joint members.
7. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
8. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
9. The Ballot Form is also placed on the website of the Company.

MAP FOR AGM VENUE





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

Website : www.enkei.in