

ENKEI WHEELS (INDIA) LIMITED

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



Annual Report **2021**

VISUALIZE THE **NEXT GOAL**



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Enkei Wheels (India) Limited at a Glance



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Managing Director's Message



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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.

At Enkei Wheels, our continual endeavour is to scale our operations and drive sustained growth. The fundamentals of our business have remained intact and robust. It has enabled us to overcome setbacks and look beyond with courage and optimism. With a renewed and far-sighted vision, we are now geared to soar higher and script new echelons of success.

Strategic investments in areas of product development, capability and capacity expansion, technology and innovation, and human resources are further strengthening our core capabilities. Simply put, our business is looking into the future, it is a foresight. Backed by our robust strengths along with undeterred support of all our partners, we are confident of capturing high growth and taking our organisation to even greater heights.

Our motto is -

VISUALIZE THE **NEXT GOAL**





ABOUT

ENKEI WHEELS (INDIA) LIMITED

Enkei Wheels (India) Limited is a part of the Enkei Group, a distinguished Japanese multinational conglomerate with over seven decades of experience in manufacturing aluminium alloy wheels. We manufacture and supply aluminium wheels to the leading two-wheeler and four-wheeler manufacturers in India.

Our inherent strengths enable us to innovate and produce the highest quality products for our customers. Underpinning our operations are our robust manufacturing and design capabilities, vast expertise, quality consciousness, highly skilled team and operational efficiencies. Over the years, we have established ourselves as a leading and trusted alloy wheel brand in the Indian automotive industry.

MANUFACTURING ADVANTAGE

Our state-of-the-art manufacturing unit is located in Pune and has a production capacity of 2W 1,20,000 and 4W 90,000 per month. We constantly leverage modern and sophisticated technologies to enhance our manufacturing capabilities, thereby enabling production of finest quality products as per emerging customer requirements.

MARQUEE CUSTOMERS

FOUR-WHEELER



TWO-WHEELER



KEY BUSINESS DRIVERS



CORPORATE PROGRAMMES



Road Safety Awareness programme



COVID-19 Vaccination Programme



COVID-19 safety precautions



COVID-19 awareness programme

OUR FINANCIAL SCORECARD

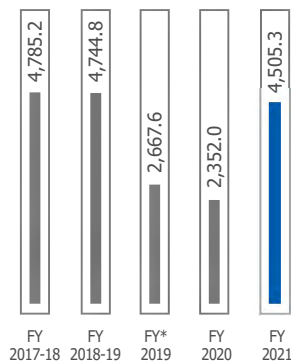
Our constant endeavour is to drive highest value for our stakeholders and maintain strong financials. The Company's cost competitiveness, technology edge, and flexible production model give it a competitive edge and enables us in delivering improved financial performance each year.

5-YEAR FINANCIAL HIGHLIGHTS

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

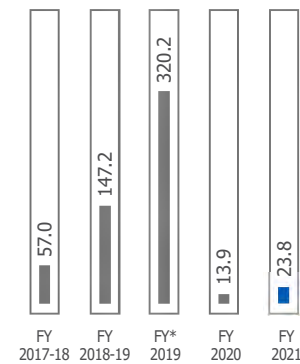
Net Sales

₹ in Million



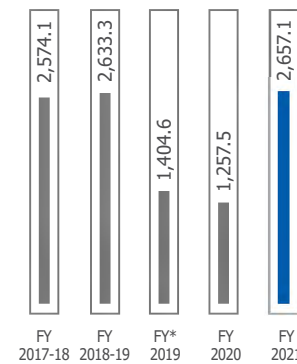
Other Income

₹ in Million



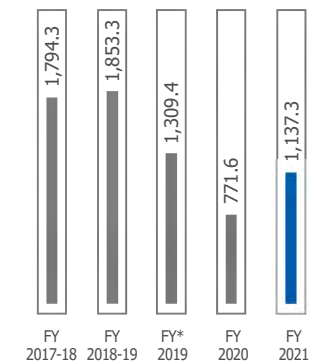
Material Cost

₹ in Million



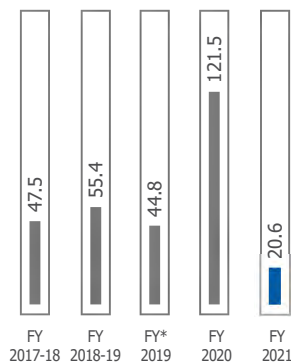
Other Expenses

₹ in Million



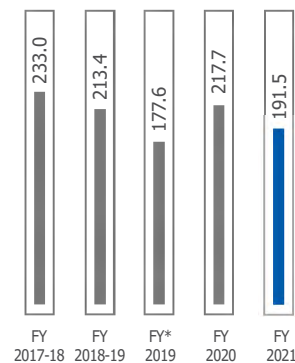
Interest

₹ in Million



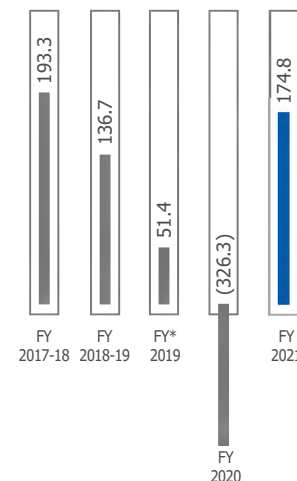
Depreciation

₹ in Million



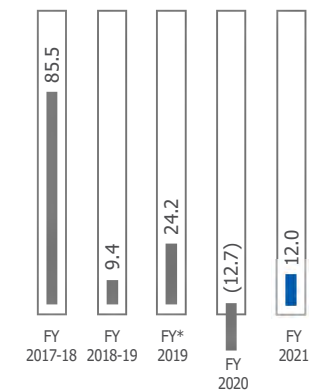
Profit before Tax

₹ in Million



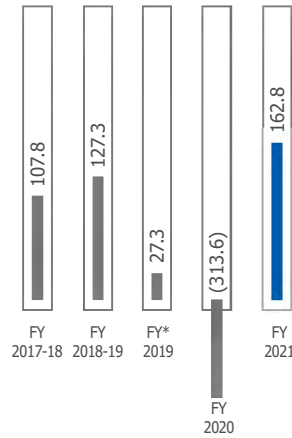
Income Tax Provision

₹ in Million

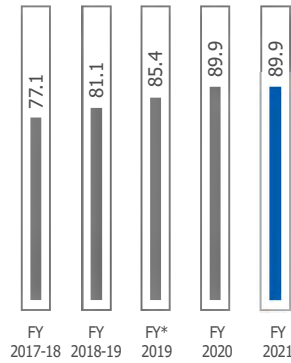


Net Profit after Tax

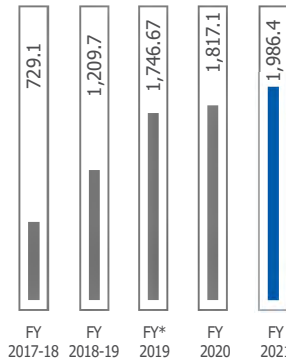
₹ in Million

**Share Capital**

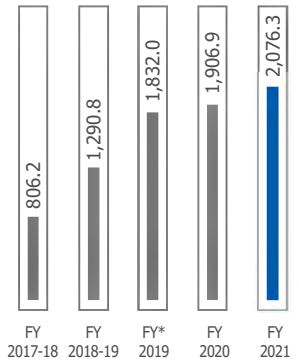
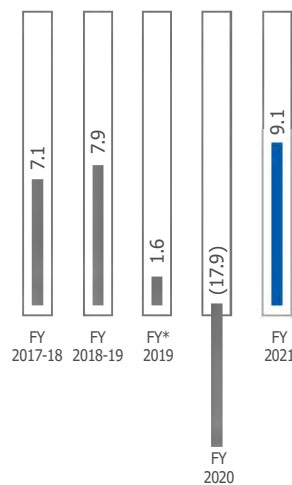
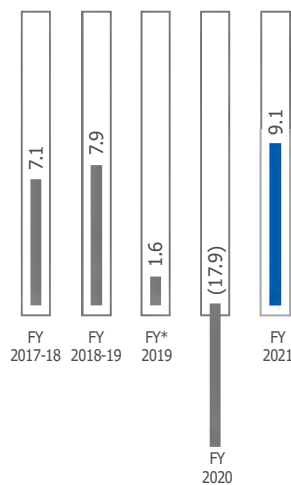
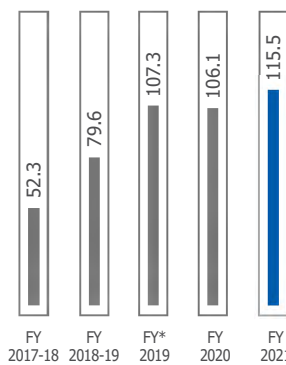
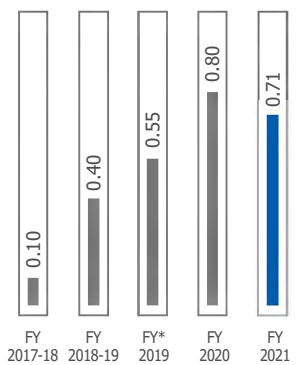
₹ in Million

**Reserves**

₹ in Million

**Net Worth**

₹ in Million

**Basic Earnings per Share (₹) (Face Value of ₹ 5/-) Before extraordinary Income / Expense****Basic Earnings per Share (₹) (Face Value of ₹ 5/-) After extraordinary Income / Expense****Book Value per Share (₹)****Debt Equity Ratio**

MANAGING DIRECTOR'S MESSAGE



During FY 2021, despite the pandemic-related challenges and other uncertainties, sales of automobiles and motorcycles gradually revitalised and our orders began to recover. As a result of the cost reduction activities that we have been undertaking since the past year, we were able to witness a 'V-shaped' recovery from the COVID-19 pandemic. FY 2022 is presumed to be a year of expanding production capacity in line with further increases in orders and of major changes and evolution that will mark a milestone in the history of Enkei India.

TO SHAREHOLDERS,

We hereby share the comprehensive performance results of FY 2021 and the latest trends of ENKEI WHEELS (INDIA) LTD. (hereinafter referred to as EWIL) with our shareholders. We thank you all for your continued patronage.

PRODUCTION AND SALES OF AUTOMOBILES AND MOTORCYCLES IN FY 2021

EWIL produces aluminium wheels for automobiles and motorcycles, and supplies them to the Original Equipment Manufacturers (OEM) only. Therefore, the production and sales trends of automobiles and motorcycles greatly influence the production and sales of our Company. According to the statistics of SIAM (the Society of Indian Automobile Manufacturers), as the overall result in 2021 (January to December), the number of automobile units sold in India recovered significantly to 127% as compared to FY 2020. In 2020, the economy declined remarkably due to the lockdown (April and May) and the first wave of infection explosion (August and September) in India due to COVID-19. Thereafter, with the decrease in the number of people infected with COVID-19, from March 2021, restrictions on movement and activities were gradually

relaxed, the economy recovered, and sales of automobiles also recovered. However, from April to June 2021, the number of people infected with COVID-19 surged again, sales of automobiles plummeted, and our orders plummeted also.

After that, the spread of the infection decreased unexpectedly quickly, the negative impact on the economy was less than when the infection spread in the previous year, and our orders recovered early. However, while it was expected that sales of automobiles would recover steadily and become a growth track, a new problem arrived. It was shortage of semiconductors and shortage of logistics containers, which has become a major problem that shakes the supply chain of parts worldwide and even now in 2022, it is still affecting the production of automobiles. In any case, the production and sales of automobiles in 2022 are expected to increase compared to 2021. However, recovery to 2018 levels, the best result in the past, is expected to take some time.

ORDERS / PRODUCTION STATUS IN 2021

The orders for EWIL in FY 2021 fluctuated intensively due to the spread of COVID-19 infection, shortage of semiconductors and shortage of logistic containers. However, the sales volume recovered significantly compared to FY 2020 with 4W 167% and 2W 134%. Furthermore, it was 4W 80% and 2W 63% compared with the record high of FY 2018. Therefore, even though the orders are on an overall recovery trend, it can be seen that they have not recovered completely. On the other hand, in the production system, the average capacity utilisation in FY 2021 is 4W 76.80% and 2W 56.85%, and considering that 4W 90,000 pcs / month and 2W 120,000 pcs / month are the production capacity; there is a lot of production capacity left. Particularly,

we have all Four lines for 4W, but only two MAT lines have a spinning process. Also, since the other two lines are old type lines (MAP), only old models can be manufactured. This had a significant impact on order expansion activities.

PROFITABILITY IN FY 2021

In FY 2021, EWIL continued to work on cost reduction to overcome the shortage of orders for production capacity. Not only EWIL but the entire Enkei Group faced a shortage of orders due to COVID-19, semiconductor shortage, issues related to maritime logistics.

Therefore, the "5SB activity: 5 Shrink Balance activity" initiated by the entire group in FY 2020 would be further strengthened, cost reduction activities would be focussed by keeping the fixed costs at the centre. As a result, as compared to FY 2019, the ratio of total fixed costs to sales was reduced by about 14%, and EWIL was able to secure positive result.

In FY 2021, increase in the price of all raw materials, factory supply materials, packaging materials, paint materials, etc. including rising energy costs due to high crude oil prices, increased prices of aluminium raw materials, and other logistics costs, hindered the profitability. However, we promoted the cost reduction activity more strongly, suppressed the amount of consumption, which enabled us to tide over the tough times.

Certainly, we should appreciate the tremendous cooperation and understanding of our suppliers; we also understand that keeping the price increase to minimum also leads to securing profits. The basis of the business plan of EWIL for FY 2022 is to promote "5SB activity" even more strongly, thoroughly reduce waste, and maintain and enhance profitability.

PROGRESS OF THE PRODUCTION CAPACITY EXPANSION PLAN

From FY 2020 onwards, the slogan of the production capacity expansion project has been changed to "PFF: Preparation for our Future". The new land site was renamed and registered to "Factory 2" and the new production line called "MAC1" was renamed to "MAC5" to avoid confusion with the existing line. The original plan was to complete the project in 2020 to 2021 and commence production.

However, due to the effect of COVID-19 and various other factors, we were unable to secure sufficient orders, so we are now in the middle of preparations to start production in FY 2022.

In FY 2022, the long-awaited production of the new line will be finally commenced. In particular, the MAC5 line is the latest line of the Enkei Group, and EWIL will be the first company to introduce M3 full-line installation in EK group overseas company. This should be a major change and evolution that will remain in the history of EWIL. Parallely, the installation of a new painting line is also in progress and is expected to be operational by the end of FY 2022. We expect that, starting the operation of the new painting line will make major changes by way of expanding the production capacity of 4W painting as well as smoothing the products transfer between internal processes. In addition, the next project planned after the start of MAC5 operation is considering the conversion of the existing MAP3 line to MAT. We have targeted to complete this project by the end of FY 2022. We are also planning to promote further expansion of production capacity.

STRENGTHENING OF MEDIUM TO LONG-TERM STRATEGIC SALES CAPABILITIES

There was a significant postponement in our capacity expansion projects due to external factors such as COVID-19 in FY 2021. This had a significant impact on the medium to long-term sales strategy. As a result, delays in capacity expansion plans led to deferment of orders execution in the medium-term. Therefore, based on these past reflections, we are changing our policy to a more positive production capacity expansion plan. Along with this, it is important to improve our sales strategy based on detailed marketing of the demand for aluminium wheels for OEMs in India. The demand for aluminium wheels will surely increase in the future with the expansion of the automobile market in India. We will follow this trend by strategically expanding our production capacity and strengthening our sales activities. Thus, our project slogan, "Preparation for our Future," is put into practice.

OUTLOOK AND CHALLENGES FOR FY 2022

At the end of the first half of FY 2021, India was the first country in the world to get over of the unprecedented crisis caused by the COVID-19 pandemic. The restrictions imposed by the government were relaxed, and we are now back to our pre-COVID level of normalcy. However, from a global perspective, we cannot assure that the spread of infection will not occur again in India. In addition to the shortage of semiconductors, which has continued since the last fiscal year, issues related to maritime logistics, fluctuations in the exchange rate of the Indian rupee, geopolitical issues have also cropped up recently. In the future, the impact of these issues on the Indian economy is immeasurable. Even under these circumstances, the automobile production sales are expected to be more than that of year 2021 and less than that of year 2019. Now we have secured the orders that enable us to operate at almost 100% capacity after the start of MAC5 operations. As mentioned above, many uncertainties are obvious, thus we must focus on future trends.

IN CONCLUSION

In FY 2022, the Company's motto for the ENKEI Group is "Visualise the next goal", and towards this, Factory2 MAC5 and the commencement of production at the new painting shop were set as the biggest goals of EWIL. For EWIL, this is a major change and evolution, and will charter the future of our Company. In addition, EWIL raised "Realise increasing productivity and improve the working efficiency" as the action plan for FY 2022 and decided to improve productivity as the main action plan. The aim is to improve the productivity of the manufacturing sections as well as the supporting sections, thereby enhancing the capabilities of the person-in-charge and of the entire department, with the target of achieving the ideal way of working. Finally, we will continue our production activities based on "safety," "health," and "environment". We also aim to create a more healthy, stable, and reliable management system and work environment. Furthermore, our goal is to become a company that survives forever by contributing to the local community through CSR activities. We would like to extend our deepest gratitude to our stakeholders, shareholders, clients, suppliers, employees, unions, workers, and our Group companies for their understanding and cooperation. We look forward to your continued support in the future.

Regards,

KAZUO SUZUKI
Managing Director

CORPORATE INFORMATION

Board of Directors

Mr. Kazuo Suzuki
Managing Director

Mr. Junichi Suzuki
Non-Executive Director

Dr. Haresh Shah
Independent & Non-Executive Director

Mr. Shailendrajit Rai
Non-Executive Director

Mr. Satyavara Prasad Garimella
Independent & Non-Executive Director

Ms. Shilpa Dixit
Independent & Non-Executive Director
(till 31st May, 2021)

Ms. Smita Subhash Patti
Independent & Non-Executive Director
(w.e.f 31st May, 2021)

Chief Financial Officer

Mr. Jitendra Parmar

Company Secretary & Compliance Officer

Mr. Jeevanjyoti Nayak

Bankers

MUFG Bank Ltd
Mumbai

Mizuho Bank Ltd
Mumbai

Sumitomo Mitsui Banking Corporation
Delhi

Axis Bank Ltd
Pune

Kotak Mahindra Bank Ltd
Pune

Statutory Auditors

Kirtane & Pandit LLP
Chartered Accountants, Pune

Internal Auditors

M S Mandke & Associates, Pune

Secretarial Auditors

Shailesh Indapurkar & Associates,
Company Secretaries, Pune

Registered Office & Works

Gat No. 1425, Village Shikrapur,
Taluka Shirur, Dist. Pune - 412 208.
Tel: (02137) 618700, Fax: (02137) 618720
Email: secretarial@enkei.in
Website: www.enkei.in

Corporate Identification Number

L34300PN2009PLC133702

Registrar & Share Transfer Agents

Universal Capital Securities Private Limited
(Wholly owned Subsidiary of Link Intime
India Pvt. Ltd.)
C-101, 247 Park, 01st Floor, L.B.S Marg,
Vikhroli (West), Mumbai- 400083.
Tel: +91(22) 28207203-05, 49186178-79
Fax: +91(22) 28207207
Email: info@inisec.in / gamare@unisec.in

Stock Exchange

BSE Limited, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001
(Scrip Code: 533477)



NOTICE IS HEREBY GIVEN THAT THE THIRTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ENKEI WHEELS (INDIA) LIMITED WILL BE HELD ON THURSDAY, THE 16TH DAY OF JUNE 2022 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 **31st December, 2021** 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.

SPECIAL BUSINESS:

ITEM NO. 3: CONTINUATION OF DIRECTORSHIP OF MR. JUNICHI SUZUKI (DIN: 02628162)

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 Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval be and is hereby granted for continuing the Directorship of Mr. Junichi Suzuki (DIN: 02628162) who will be exceeding the age of 75 (seventy-five) years as Non-Executive Director of the Company w.e.f 24th January, 2023.

RESOLVED FURTHER THAT Mr. Kazuo Suzuki (DIN:08350372), Managing Director and Company Secretary of the Company be and are hereby severally authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

ITEM NO. 4: FIXATION OF REMUNERATION OF MR. HARESH BABULAL SHAH, (DIN: 00228471), INDEPENDENT DIRECTOR OF THE COMPANY.

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

"RESOLVED THAT, pursuant to the provisions of section 149 and 197, read with Schedule V of the Companies Amendment Act, 2020 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval is hereby granted for payment remuneration of not exceeding INR 5,00,000/- (Rupees Five Lakh only) per annum and reimbursement of out-of-pocket expenses at actual plus applicable taxes, payable to, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. Hareesh Babulal Shah, (DIN: 00228471), as an Independent Director of the Company, on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution.

ITEM NO. 5: FIXATION OF REMUNERATION OF MR. GSV PRASAD, (DIN: 05344245), INDEPENDENT DIRECTOR OF THE COMPANY.

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

RESOLVED THAT, pursuant to the provisions of section 149 and 197, read with Schedule V of the Companies Amendment Act, 2020 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval is hereby granted for payment remuneration of not exceeding INR 5,00,000/- (Rupees Five Lakh only) per annum and reimbursement of out-of-pocket expenses at actual plus applicable taxes, payable to, including the remuneration to



be paid in the event of loss or inadequacy of profits in any financial year during the tenure of Mr. GSV Prasad, (DIN: 05344245), as an Independent Director of the Company, on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution.

ITEM NO. 6: FIXATION OF REMUNERATION OF MS. SMITA SUBHASH PATTI, (DIN: 09150264), INDEPENDENT (WOMAN) DIRECTOR OF THE COMPANY.

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

RESOLVED THAT, pursuant to the provisions of section 149 and 197, read with Schedule V of the Companies Amendment Act, 2020 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval is hereby granted for payment remuneration of not exceeding INR 5,00,000/- (Rupees Five Lakh only) per annum and reimbursement of out-of-pocket expenses at actual plus applicable taxes, payable to, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of Ms. Smita Subhash Patti, (DIN: 09150264), as an Independent Director of the Company, on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT, the Board be and is hereby authorised to take all such actions and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this Resolution.

ITEM NO. 7: APPROVAL FOR TRANSACTION WITH RELATED PARTY

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

RESOLVED THAT pursuant to the provisions of Section 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 29th April, 2022 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 INR 41 (Forty One) Crores, per calendar year for 3 (Three) years starting from 1st April, 2022 till 31st March 2025, 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: 29th April, 2022

Kazuo Suzuki
(Managing Director)
(DIN: 08350372)

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 10th June, 2022 to 16th June, 2022 (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



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

- i) The voting period begins on 13th June, 2022 at 9.00 a.m. (IST) and ends on 15th June, 2022 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 09th June, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.

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 or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.

If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>

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 or click on <https://evoting.cdslindia.com/Evoting/EvotingLogin> 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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
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Individual Shareholders holding securities in demat mode with NSDL	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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If the user is 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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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. CDSL and NSDL

Login type	Helpdesk details
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Individual Shareholders holding securities in Demat mode with CDSL	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43</p>
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Individual Shareholders holding securities in Demat mode with NSDL	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
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- v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next, enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.

PAN	<p>Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@enkei.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- 1) For Physical shareholders- please provide necessary details like 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 **Company/RTA email id**.
- 2) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- 3) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

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 **16th June, 2022**.

ITEM NO. 3

Pursuant to the provision of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 "No listed entity shall appoint a person or continue the Directorship of any person as a non-executive Director who has attained the age of **seventy-five** years unless a special resolution is passed to that effect".

Mr. Junichi Suzuki, Non- Executive Director will attain the age of 75 years on 24th January, 2023 and Considering the vast experience and exposure of Mr. Junichi Suzuki, it is proposed to continue him in the capacity of a Non- Executive Director of the company.

As per the provisions of regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is necessary to obtain the approval of the shareholders of the company by way of passing a special resolution for continuing the appointment of Mr. Junichi Suzuki after attaining the age of 75 years. Hence advance approval of shareholders of the company by way of passing a special resolution is sought for, for continuation of his appointment as non-executive director.

The Board recommends the special resolution be passed.

Except Mr. Junichi Suzuki, being appointee and his relatives, none of the Directors and Key Managerial Personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out in Item No. 3 of the accompanying Notice.

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 Director
1.	Name of Director and DIN	Mr. Junichi Suzuki (DIN: 02628162)
2.	Reference of Resolution in Notice	3
3.	Father's Name	Mr. Kenji Suzuki
4.	Relationship with other Directors	NIL
5.	Nationality	Japanese
6.	Date of Birth	25 th January, 1948
7.	Brief Resume of the Director	Mr. Junichi Suzuki is the Chairman of Enkei Group, Japan. He has wide experience in engineering particularly in manufacturing of aluminium alloy castings and wheels used for two, three & four wheelers. Mr. Suzuki is serving on the Board of various corporate worldwide and is having more than Five decades experience in management.
8.	Qualifications	Engineer
9.	Expertise	Engineering & Management
10.	Date of first appointment	24 th March, 2010

Sr. No.	Particulars	Details of Director
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.

ITEM NO. 4, 5 & 6

Pursuant to the amendments in the Companies Act, by Companies (Amendment) Act, 2020 changes were made in Section 149(9) and 197 which permitted non-executive directors including Independent Directors to receive remuneration in accordance with Schedule V of the Companies Act 2013. Section 197(3) specifically allowed companies for payment to Non- Executive Directors and Independent Directors remuneration even in case of inadequate profit during any financial year as per Schedule V of Companies Act, 2013.

Acknowledging the crucial role played by Independent Directors in bringing objectivity into the functioning of the Board and improving its effectiveness, and in view of the above amendment, Board has recommended for payment of remuneration to below Independent Directors. The remuneration was also acknowledged/ approved by the members of Nomination and Remuneration Committee in its meeting held on 15th February, 2022.

Sr. No.	Name of Independent Directors	Amount of Remuneration
1.	Mr. Haresh Babul Shah (DIN: 00228471)	
2.	Mr. GSV Prasad, (DIN: 05344245)	not exceeding INR 5,00,000/- (Rupees Five Lakh only) per annum.
3.	Ms. Smita Subhash Patti, (DIN: 09150264)	

The Board recommends the resolutions at Item No. 4, 5 & 6 be passed.

None of the Directors, except the respective Independent Directors are interested in the resolution as set out at Item No. 4, 5 & 6 of the accompanying Notice.

ITEM NO. 7

The Company has entered into/propose to enter 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 Equipments vi) 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) 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:

Name of the related party	Name of the Director or Key Managerial personnel who is related	Nature of relationship	Particulars of the contract or arrangement	Monetary value (Amt in INR)	Any other information relevant or important for the members to make a decision on the proposed transaction
Enkei Corporation	Mr. Junichi Suzuki	Common Director, Promoter and being holding company.	(i) Supply of Machineries and Equipment from Enkei Corporation,	15 Crores	The transactions are in Ordinary course of business of the Company and on arm's length Price basis
			(ii) Supply of Consumables from Enkei Corporation,	3 Crores	
			(iii) Supply of services from Enkei Corporation	9 Crores	
			(iv) Royalty payment to Enkei Corporation	12 Crores	
			(v) Sale of Goods and Equipments to Enkei Corporation	1 Crore	
			(vi) Payment of Interest on External Commercial Borrowing	1Crore	
Total				41 Crores	

The copy of respective documents entered/ to be entered containing broad terms and conditions are open for inspection during business during normal business hours (11:00 am to 1:00 pm) on any working day, except Saturdays Sundays and public holidays upto and including the date of AGM of the Company, at the Registered Office of the Company and same is also available for inspection by members at the Annual General Meeting. Based on recommendations of Audit Committee as well.

The Board recommends the resolutions at Item No. 7 be passed.

No Directors, Key Managerial Personnel or their relatives, except Mr. Junichi Suzuki and their respective relatives, are concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 7 of the accompanying Notice.

BOARD'S REPORT

To,
The Members of
ENKEI WHEELS (INDIA) LIMITED

The Directors take pleasure in presenting the Thirteenth Annual Report together with the Audited Financial Statements, for the financial year ended 31st December, 2021:

(The Annual Report for FY 2021 can be accessed by web link www.enkei.in)

FINANCIAL HIGHLIGHTS:

The Company's financial performance during the financial year 2021, as compared to the previous year 2020 is summarized below:

Particulars	(₹ In Million)	
	For the Year ended 31 st December, 2021	For the Year ended 31 st December, 2020
Total Revenue	4529.03	2,365.95
Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)	386.86	12.86
Less: Depreciation	191.48	217.66
Less: Financial Expenses	20.61	121.49
Profit / (Loss) before exceptional and extraordinary items and tax	174.78	(326.30)
Less: Exceptional and Extraordinary items	-	-
Profit/(Loss) before Tax	174.78	(326.30)
Less: Provisions for Taxes	12.01	(12.72)
Profit/(Loss) after Tax	162.77	(313.58)

REVIEW OF OPERATIONS:

Market demand in India, began with a sharp recovery in first quarter of 2021. But the momentum of recovery was again affected due to debilitating Delta wave of the pandemic in second quarter badly. However, this variation of pandemic was limited only to the second quarter of 2021 due to rapid vaccination drive and Covid-19 restrictions by Govt. of India. Even with nationwide Covid-19 recovery, the state of Maharashtra was greatly affected and hence the company production process was completely ceased from 26th May, 2021 till 01st June, 2021 and subsequently full-fledged production was restored by end of 09th June, 2021. Eventually, your Company took necessary Covid counter measures post opening of plant.

Despite the challenges posed by the pandemic, your Company adapted to the changing business needs and grabbed its growth momentum again. During the Financial Year under review total standalone revenue of the Company increased to ₹ 4529.03 million from ₹ 2,365.95 million for previous year. Profit before Interest, Depreciation, Exceptional Items and Tax increased to ₹ 386.86 Million as against ₹ 12.86 Million

for the previous year. The profit before exceptional items & tax for the Financial Year increased to ₹ 174.78 Million in Financial Year 2021 from loss of ₹ 326.30 Million in Financial Year 2020. Moreover, your company landed with the sales of total ₹ 4446.11 Million (Jan-Dec 2021) combined for 2W and 4W as against previous year ₹ 2,326.00 Million.

Your Company had posted 91.4 percent of overall growth in terms of sales volume which is amounting to ₹ 2,163.08 Million 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 were 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	4/4
Mr. Shailendrajit Rai	4/4
Dr. Haresh Shah	4/4
Mr. Satyavara P. Garimella	4/4
Mrs. Shilpa Dixit*	2/2
Ms. Smita Subhash Patti**	3/3

* End of tenure as an Independent Director w.e.f 31st May, 2021

** Appointed w.e.f 28th April, 2021

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 Wednesday, 08th December, 2021 to consider the following business as required under the Companies Act, 2013:

- I. review the performance of non-independent directors and the Board as a whole;
- II. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- III. assess the quality, quantity and timeliness of flow of information between the Company'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. 2021, Ms. Smita Subhash Patti was appointed as new independent (woman) director of the company.

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 **31st December, 2021**, 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 **31st December, 2021** 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 2021 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

Pursuant to the provisions of section 139 of Companies Act 2013, and the companies (Audit and Auditors) Rules 2014, M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W / W100057) serves as the Statutory Auditors of the Company to undertake the Statutory Audit of the Company.

Details of remuneration is provided in note to Balance Sheet 36 (f). There is no material difference in the remuneration offered and remuneration paid to the present Auditors.

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 2021.

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

During the year under review, the Company has made joint venture investment in Nikkei CMR Aluminium India Private Limited by way of subscribing 31,50,000 (Thirty-One Lakh Fifty Thousand) Equity Shares of ₹ 10/- each.

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 2021 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 36 (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:

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

Details of the Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as 'Annexure- I' to 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 street solar lights in different locations of plant and 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 company has changed layout at casting inspection which helps to improve PTR (Pass Through Ratio). 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.

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 ₹ 0.53 Million and total outflows (on cash basis) in foreign exchange were ₹ 2407.70 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 standing by the company during the financial year 2021 being not eligible as per the provision of Section 135 of Companies Act, for FY 2021.

Performance evaluation of Board and its Committees

Pursuant to provisions of the Companies Act and the Listing Regulations, the Board has carried out the annual performance evaluation of Board's own performance, the Committees and Independent Directors without participation of the relevant Director. The Nomination and Remuneration Committee of the Board also have evaluated the performance of the Board and provided feedback to the Board. The independent directors had a separate meeting without the presence of any non-independent directors and management and considered and evaluated the Board's performance and other non-independent directors and shared their views with the board.

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. Jeevanjyoti Nayak was appointed as Company Secretary and Compliance officer of the Company w.e.f 18th February, 2021 and consequently, Board

Members accepted the resignation from Mr. Jitendra Parmar, CFO as Compliance Officer of the company with immediate effect.

- Ms. Smita Subhash Patti was initially appointed as an Additional Director w.e.f 28th April, 2021 and again appointed as Independent (woman) Director of the company w.e.f 31st May, 2021 consequent to expiry of term of Mrs. Shilpa Dixit as Independent Director with the conclusion of 12th Annual General Meeting of the company on 31st May, 2021.

Thereupon, the intimation of relevant appointment & resignation of Company Secretary/ Compliance Officer/ Directors 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 the company made joint venture investment amounting to INR 31,500,000.00 in Nikkei CMR Aluminium India Ltd. on 26th October, 2021.

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 31st December, 2021 is attached to the Balance Sheet.

CORPORATE GOVERNANCE:

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

ACKNOWLEDGEMENT:

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

For & On Behalf of the Board of Directors

Kazuo Suzuki
Managing Director
(DIN: 08350372)

Haresh Shah
Director
(DIN: 00228471)

Place: Pune
Date: 15th February, 2022

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:

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021 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 2021	% 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)	16,638,215	2.38	27.23	During FY 2021 Revenue was increased by 91.5% and increase in Profit after tax was 151.9 % Please see the note.
2.	Mr. Jitendra Parmar (Chief Financial Officer)	3,221,936	8.19	5.27	During FY 2021 Revenue was increased by 91.5% and increase in Profit after tax was 151.9 % Please see the note.
3	Mr. Jeevanjyoti Nayak (Company Secretary)	771,032	NA	1.26	During FY 2021 Revenue was increased by 91.5% and increase in Profit after tax was 151.9 % Please see the note.

2. The median remuneration of employees of the Company during the financial year 2021 was INR. 611,004/-.
3. In the financial year 2021, there was increase of 10.8% in the median remuneration of employees.
4. As on 31st December, 2021, there were 418 permanent employees who were on the roll of the Company.
5. Relationship between average increase in remuneration and Company performance:
The Profit After Tax for the financial year ended 31st December, 2021 increased by 151.9% whereas the median remuneration increased by 10.8% which is as per the industry conditions.
6. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of the Key Managerial Personnel(s) increased by 3.2% from ₹ 20 Million in 2020 to ₹ 20.6 Million 2021 whereas Profit After Tax increased by 151.9 % from loss of ₹ 313.58 Million in 2020 to profit of ₹ 162.8 Million in 2021.

7. Managerial remuneration paid during the year under review is in accordance with 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 31st December, 2021 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	13.36	Mechanical Engineer	24	47	30 th Jan, 2019	Enkei Group, Japan
2.	Masayuki Suzuki	Japanese	Technical Advisor	10.57	Mechanical Engineer	35	58	25 th Oct, 2006	Enkei Group, Japan
3.	Yusuke Otaki	Japanese	Technical Advisor	9.82	Chemical Engineer	20	43	02 nd Nov, 2017	Enkei Group, Japan
4.	Koji Takahashi	Japanese	Paint shop Advisor	8.58	Mechanical Engineer	20	43	24 th Aug, 2019	Enkei Group, Japan
5.	Tetsuya Sakata	Japanese	General Manager	7.62	Economy Graduate	13	36	28 th Mar, 2016	Enkei Group, Japan
6.	Shinji Suzuki	Japanese	Sr. Vice President	7.06	Mechanical Engineer	36	60	24 th Mar, 2017	Enkei Group, Japan
7.	Hideki Mineno	Japanese	Vice President	2.80	Mechanical Engineer	34	58	21 st Sept, 2021	Enkei Group, Japan

ANNEXURE II

Form No. MR-3
SECRETARIAL AUDIT REPORT
(For the period 1st January, 2021 to 31st December, 2021)

[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 1st January, 2021 to 31st December, 2021 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 from 1st January, 2021 to 31st December, 2021, 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 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;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable to the company during the audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the company during the audit period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the company during the audit period)**;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the company during the audit period)**
- vi) As informed to us 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 subject to following observations:

During the period under review, Ms. Smita Patti was appointed as an additional Independent Director under the category of Independent Director with effect from 28th April 2021 to 31st May 2021. However, in the annual General Meeting held on 31st May 2021 a fresh approval from the shareholders for her appointment for the tenure of three years was considered i.e from 31st May 2021 till 31st May 2024 instead of her continuation of her previous tenure.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The changes in the 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.

For Shailesh Indapurkar & Associates
Company Secretaries

CS Shailesh Indapurkar

Proprietor

ACS 17306

C. P. No: 5701

UDIN: A017306C002592703

Place: Pune

Date: 15th February, 2022

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: 15th February, 2022

ANNEXURE III

SECRETARIAL COMPLIANCE REPORT
for the year ended 31st December, 2021
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 Enkei Wheels (India) Limited ("the listed entity");
- (b) the filings/ submissions made by the listed entity 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 31st December, 2021 ("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 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 review period)**;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(not applicable during review period)**;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the Company during review period)**;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 **(not applicable to the Company during review period)**;
- (h) Securities and Exchange Board of India (Prohibition off Insider Trading) Regulations, 2015;
- (i) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;

(j) and circulars/ guidelines issued thereunder;

and based on the above examination, We hereby report that, during the Review Period:

a) Subject to the observations listed below 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)	Observations	Observations/Remarks of the Practicing Company Secretary
1.	Regulation 25 of LODR and Section 161, 149 of Companies Act 2013	Ms. Smita Patti was appointed as an Additional Director under the category of Independent Director with effect from 28 th April, 2021 to 31 st May, 2021. However, in the Annual General Meeting held on 31 st May, 2021, a fresh approval from shareholders for her appointment for the tenure of three years was considered i.e from 31 st May, 2021 till 31 st May, 2024 instead of continuation of her previous tenure.	The observations / remarks are self-explanatory.

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

For Shailesh Indapurkar & Associates
Company Secretaries

CS Shailesh Indapurkar
Proprietor
ACS 17306
C. P. No: 5701
UDIN: A017306C002592802

Place: Pune
Date: 15th February, 2022

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 - V 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.

(*Ms. Smita Subhash Patti, independent (woman) Director was appointed as new member of Corporate Social Responsibility Committee consequent to expiry of term of Mrs. Shilpa Dixit, Independent Director as member of CSR Committee w.e.f 31st May, 2021.)

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 2021

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.	2021	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: ₹ 32.7 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	-	-	-	-	-	-

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 Lakh)	Amount spent in the current financial Year (₹ in Lakh)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakh)	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	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 Lakh)	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

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 Lakh)	Amount spent in the reporting Financial Year (₹ in Lakh)	Amount spent in the reporting Financial Year (₹ in Lakh)	Amount spent in the reporting Financial Year (₹ in Lakh)			Amount remaining to be spent in succeeding financial years. (₹ in Lakh)
					Name of the Fund	Amount (₹ in Lakh)	Date of transfer.	
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 Lakh)	Amount spent on the project in the reporting Financial Year (₹ in Lakh)	Cumulative amount spent at the end of reporting Financial Year. (₹ in Lakh)	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. Kazuo Suzuki
DIN: 08350372

Place: Pune
Date: 15th February, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY OVERVIEW

Despite the various challenges, FY 2021 was somehow the year of recovery and rehabilitation post COVID 19 pandemic situations. EWIL was able to overcome losses by continued cost reduction programme and sales trend is gradually catching its recovery swing. Management expects that Factory-2 new production line MAC5 (introduction of M3) and start of new paint line for 4W will surely bring change and evolution in the production capacity and progress by end of FY 2022.

Indian Economic Review:

A positive business environment, robust industrial output and rapid vaccination coverage have provided a strong momentum for the growth of India's economy, with a GDP growth of 8.9 per cent estimated for the outgoing financial year.

Various parameters such as total GST collections, UPI transactions, FASTag revenues, demand for electricity, passenger and freight traffic via rail and air, and metal and coal production displayed a positive trajectory, pointing towards a continued economic recovery.

The improving economic situation, employment availability and household income brought confidence to the consumer confidence index whereas an overall improvement in the business environment supported a rise in the business confidence index.

Although, India's annual FDI inflow stood at USD 74.01 billion in CY2021, which is 15 percent lower from USD 87.55 billion recorded in previous year (Source: Economic Times 23rd March, 2022) country's foreign exchange reserves were climbed to a record high of USD 642 billion in week ended of September 3, 2021 (Source: Business Standard).

While various macroeconomic parameters point towards a sustained growth for the country, it is imperative that global developments, such as the supply chain disruptions, and rising commodity prices, which may derail the progress, be kept in mind.

Global Automotive Market:

Global automotive market in 2021 was affected due to two major events. Firstly, newer variants of the coronavirus which affected many geographies at different times of the year, necessitating countermeasures that led to demand fluctuations across quarters.

Secondly, Vehicle manufacturers and suppliers are still facing shortage of semiconductor microchips shortage globally that began in the year 2020, which is disrupting production. Demand for computers, mobile phones and other consumer electronics dramatically increased due to lockdowns during the pandemic. The global chip shortage issue started in 2020 after many countries imposed complete lockdown, hitting production and supply chains. Again, spread of Delta variant of coronavirus affected various key chip producing countries of USA, Japan, Taiwan and Malaysia during the year. Because of these unexpected events, chip production shortage is still continuing and still forecasted to affect demand till the first half of 2022.

Indian Automotive Industry:

Light vehicles experienced supply side issues primarily related to the semiconductor shortages. Two wheelers remained sluggish as rural incomes got hit by the second wave of the pandemic. On the demand side the story continues to be positive as the market opens up and is expected to grow across all segment as estimated by various agencies. Rising input costs and the continuing semiconductor crisis continue to dampen the optimistic mood around demand. The increasing cost of ownership may adversely affect the market forecasts.

The Two-Wheeler industry production has shown a growth of about 11% in CY21 as compared to the previous year (source: SIAM) albeit on a lower base. The quarter wise performance reveals that there is a decline in the demand for 2 Wheelers in the last two quarters which is due to a combination of rising fuel prices, worsening rural sentiment on account of the latest Covid wave and delayed opening of offices and schools. Concerns on personal safety may usher in new buyers in the segment and this coupled with the opening up of schools and offices may boost up demand. But increasing fuel costs and increase in Aluminium prices being passed to consumers may further increase the cost of ownership and dampen the aforesaid growth factors in FY23. CRISIL expects the two-wheeler market to grow by 5-7% in FY23.

4W Market Sales for CY 2021

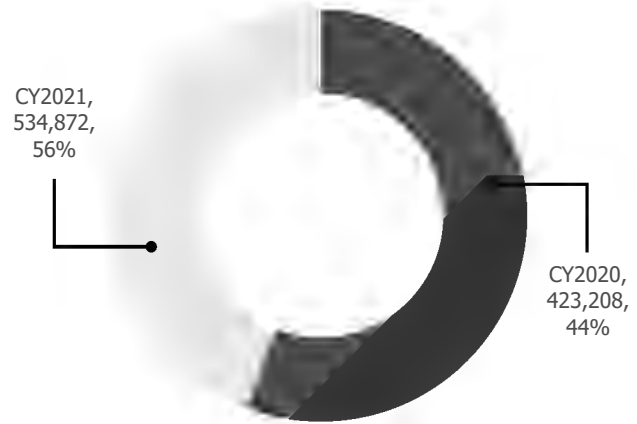
The domestic sale of Passenger Vehicles increased by 28% in CY 2021 over the period of last year & the export sale of Passenger Vehicles increased by 26% in CY 2021 over the period of last year.

Overallly the industry registered the growth of 26% in CY 2021 over the period of CY 2020.

Domestic Sales Passenger Car & SUV



Export Sales Passenger Car & SUV

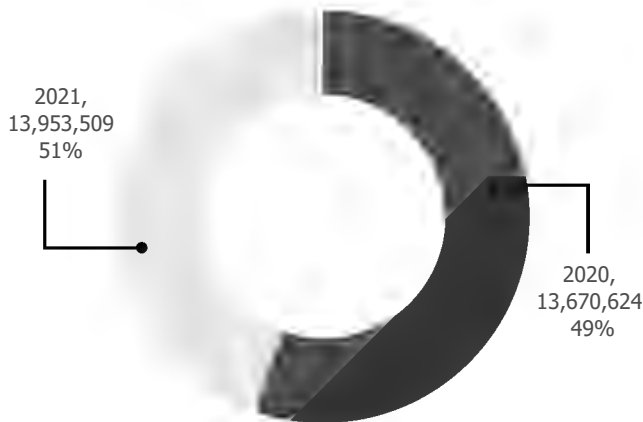


2W Market Sales for CY 2021

The domestic sale of Two-wheelers- Motorcycles & scooters increased by 2% in CY 2021 compared to CY 2020 & the export sale of Passenger Vehicles increased by 26% in CY 2021 over the period of last year & the export sale is increased by 48% compared to CY 2020.

Overall the industry registered the growth of 10% in CY 2021 over the period of CY 2020 for 2W segment.

Domestic Sales Motorcycle & Scooters



Export Sales Motorcycle & Scooters



Outlook:

In 2022, the Indian automotive industry is expected to gradually wrap its head around a positive mindset on the back of pent-up demand post the BS-VI migration, COVID-19 pandemic and economic normalisation coupled with overcoming the semi-conductor shortage challenge. With a buoyant demand in the passenger vehicle segment, there is expected to encounter be increase in prices, increasing adoption of latest technologies such as autonomous driver assistance coupled with increasing traction in electric mobility space across both four and two-wheeler segments in the foreseeable future.

Growth drivers:

- **Population:** India is the second-largest populous country in the world with a population of 1.37 billion in 2021, driving the demand of improved mobility solutions, in turn, driving the demand for automobiles in the country
- **Urbanisation:** The urbanisation rate of India stood at 35.4% in 2021, driving the demand of automobiles in the urban locales.

Government impetus:

- **National Automotive Testing and R&D Infrastructure Project (NATRIP)**

- ✓ Under this initiative, the focus of the Government was on setting up of R&D centres across the country with the help of an investment of US\$ 388.5 million, enabling the industry to be at par with global standards.
- ✓ Since 2015, the Government has set up 5 testing and research centres in India under NATRIP.

- **Production-linked Incentive (PLI) Scheme**

- ✓ The Government came up with certain benefits of the PLI scheme in September 2021 for the automobile and auto components with the objective of helping the manufacturers scale their production. The PLI scheme for the automotive sector had benefits worth ₹ 25,938 crore (US\$ 3.49 billion). Further, the scheme is also expected to rope in investments of more than ₹ 42,500 (US\$ 5.74 billion) by 2026
- ✓ The Union Cabinet outlaid ₹ 57,042 crore (US\$ 7.81 billion) for automobiles and auto components sector under the Department of Heavy Industries
- ✓ Further, in November 2021, the Union Government added more than 100 advanced technologies, including alternate fuel systems such as compressed natural gas (CNG), Bharat Stage VI compliant flex fuel engines, electronic control units (ECU) for safety, advanced driver assist systems and e-quadracycles, under the purview of the PLI scheme for automobiles

- **The Automotive Mission Plan 2016-26 (AMP 2026):**

The Government launched this initiative with the target of a four-fold growth in the automobile sector in India by 2026.

- **Clean Tech Scheme:**

Another initiative launched by the Indian government with an investment plan of US\$ 3.5 billion in incentives between 2021 and 2026 to encourage production and export of clean technology vehicles

(Source: PIB, MoSPI, IBEF)

Expansion Project:

Even with effect of Covid-19 and various other factors the long-awaited production of the new line (MAC-5) will

finally be started in our extended production land named as Factory-2 In FY 2022. MAC5 line is the latest line of the Enkei Group, and EWIL will be the first base to introduce full-line installation at overseas bases that will bring change and evolution in the history of EWIL. In parallel, the installation of a new painting line is also in progress and is expected to be operational at the end of FY 2022. Company expects that, starting the operation of the new painting line will make major changes and evolve by expanding the production capacity of 4W painting as well as smoothing the logistics between internal processes.

In addition, the next project planned after the start of MAC5 operation is considering the conversion of the existing MAP3 line to MAT. (Target completion of 4Q in FY2022). The company is planning to promote further expansion of production capacity.

SWOT analysis:

Strength:

- Skilled manpower available in abundance at low unit labour cost
- Abundance alloy supply
- Design prowess and the products benchmarked with international standards coupled with the rich legacy of the parent company.

Weakness:

- High energy cost
- High import duty on raw materials
- Strict labour laws
- Highly competitive industry

Opportunities:

- Consistent support through various policies and interventions of the Government. Further, the increasing traction received by electric vehicles coupled with increasing demand for design elements in vehicles such as alloy wheels.
- Strong government focus on manufacturing industry and MSMEs with policies like PLI scheme, Make-in-India, Ease of doing business, Atmanirbhar Bharat, etc.

Threats:

- Steep rise in raw material and energy costs
- Economic slowdown both in domestic and international markets

FINANCIAL OVERVIEW

Key financial ratios applicable to the Company

Name of Ratio	FY 2020	FY 2021	% Change
Debtor Turnover	9.45	9.11	(3.6)
Inventory Turnover	3.66	9.16	150.1
Interest Coverage Ratio	(1.69)	9.48	659.6
Current Ratio	1.17	1.03	(12.2)
Debt Equity Ratio	0.80	0.71	10.7
Operating Profit Margin Ratio	(8.67)	4.31	149.7
Net Profit Margin Ratio	(13.25)	3.59	127.1
Return on Net worth	(16.77)	8.17	148.7

Significant changes i.e change of 25% or more as compared to FY 2020 is observed in:

Inventory Turnover Ratio: During FY2021 inventory turnover ratio was improved due to major inventory was converted in sales. So sales amount increased by 91.4% and inventory reduced from Rs.578 Mln to Rs.505 Mln.

Interest Coverage Ratio: In FY2021 total interest cost was decreased as compared to previous year mainly because of favourable trend in JPY currency. In addition to above sales orders were also improved in FY2021 and there was no major impact of covid19. During FY 2021 EBIT amount was increased by Rs.401 Mln. Thus the ratio was improved by 659.6%.

Operating Profit Margin Ratio: During FY2021 sales amount was increased by Rs.2,613 Mln as compared to previous year. Since the sales amount was improved due to upward trend of metal prices in FY2021. So Operating Profit Margin Ratio increased from -8.67% to 4.31%.

Net Profit Margin Ratio: During: In FY2021 Net Profit Marging Ratio increased due to fixed cost control. USD rate was stable and JPY rates was favourable and sharp increase in revenue amount. So, Net Profit Margin Ratio increased from -13.25% to 3.59%.

Return on Net worth: Return on Net Worth Ratio improved from -16.77% to 8.17% and it is turned into positive in FY2021. It is improved mainly due to increase in sales orders and fixed cost control as compared previous year.

Risk and concerns

Risk is the manifestation of business uncertainty that affects corporate performance and prospects. It is an integral part

of all businesses but can be controlled through awareness, discipline and commitment. The company management takes various steps to mitigate these risks which are periodically placed before the Board and Audit Committee along with findings of the internal auditors. All the assets of the Company are adequately insured. Your Company evaluates potential risks, and has evolved over the years a comprehensive risk-management strategy. It takes into account changing market trends, competition scenario, emerging customer preferences, potential disruptions in supplies and regulatory changes, among others. Your Company imports its main raw material i.e. aluminium alloy ingots from Dubai & Qatar for manufacturing aluminium alloy wheels. Your Company has a comprehensive risk assessment framework and well laid out policy to manage the risks arising out of the inherent price volatility & overseas risks associated with aluminium alloy ingots.

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

Internal control systems and their adequacy

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 have been carried out to monitor Company's expanding size and resulting needs and compliance with the legal obligations and the Company's policies & procedures. This ensures high degree of system-based checks and control and continuous monitoring of the effectiveness of the controls.

An independent agency has been appointed for auditing internal control system in consultation with statutory auditors. Suggestions, improvements, concern points of internal auditors consider by audit committee and get implemented according to instructions of committee.

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

Based on its evaluation, the Audit Committee has concluded that the internal financial controls were adequate and operating effectively as of December 31, 2021.

Human resources:

Operating in a people-intensive sector, the Company understand that human capital plays a pivotal role in its everyday functioning. The Company's belief is 'Visualize the next Goal'. To achieve this, the Company undertakes various measures to hire, train and retain the best talent. Owing to its belief of inclusive growth for its employees, the Company

undertakes extensive learning and development measures. Further, a committed management team ensures that system has adequate space, freedom, guidance to bring out the full potential of employee and adequate opportunities for personal growth of employee within the organization. Continues monitoring and periodic review keep the system updated and reward policy makes smooth functioning of system.

As on December 31, 2021, there were 396 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 Management Discussion and Analysis 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

Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Enkei Wheels India Limited “the Company” aspires to achieve long-term corporate goals by adopting ‘best practices’ that are essential in the area of Corporate Governance.

The Company emphasizes the need of good corporate governance in order to protect the interest of its stakeholders. The Board acknowledges its responsibilities towards shareholders for creation and safeguarding their wealth. In this pursuit, the Company is committed to conduct the business in accordance with the highest legal and ethical standards, superior product quality and services to its customers. The Company has adhered to such superior product policies to fulfill its corporate responsibilities and achieve its financial objectives.

The Company is conscious of the fact that the success of a corporation is a reflection of the professionalism, conduct and ethical values of its management and employees. In addition to compliance with regulatory requirements, the Company endeavors to ensure that highest standards of ethical and responsible conduct are met throughout the organization.

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. Shailendrajit Rai	Mr. Kzuo Suzuki	Mr. Hareh 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

Skill Area	Description	E (Essential) D (Desirable)	Matrix setting out the core skills/ expertise/ competence of the Board of Directors					
			Mr. Junichi Suzuki	Mr. Shailendrajit Rai	Mr. Kzuo Suzuki	Mr. Haresh Shah	Mr. Satyavara P. Garimella	Ms. Smita Subhash Patti
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
Governance, Risk and Compliance	Experience in the application of corporate governance principles in a commercial enterprise.	D	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
	Experience in the appointment and evaluation of a CEO and Senior Executive Managers	D	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
Legal	Qualifications and experience in legal practice with emphasis on (Any one or More): <ul style="list-style-type: none"> Manufacturing Industry Employment law Corporate Law 	E	Y	Y	Y	Y	Y	Y
Sustainability	Qualifications and experience in sustainable development with emphasis on(Any one or More): <ul style="list-style-type: none"> Green Energy Environmental law 	D	Y	Y	Y	Y	Y	Y

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 31.12.2021
			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	1	0	NIL
Mr. Shailendrajit Rai	Non-Executive Director	None	3	4	<ul style="list-style-type: none"> • Alicon Castalloy Limited. • Silicon Meadows Engineering Services Limited • Atlas Castalloy Limited 	CMD ED CMD	3	1	262674
Dr. Haresh Shah	Independent & Non-Executive Director	None	0	4	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

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

ED: Executive Director,

NED: Non-Executive Director,

CMD: Chairman and Managing Director

c) Board Meetings and Annual General Meetings:

During the year 2021, 4 (Four) meetings of the Board of Directors of the Company were held on following dates:

18th February, 2021; 28th April, 2021; 03rd August, 2021; 21st October, 2021

The previous Annual General Meeting was held on 31st May, 2021.

Details regarding the attendance of Directors at the Board Meetings and the Annual General Meeting held during the year 2021 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	4/4	Yes
Mr. Shailendrajit Rai	4	4/4	Yes
Dr. Haresh Shah	4	4/4	Yes
Mr. Satyavara P. Garimella	4	4/4	Yes
Mrs. Shilpa Dixit (Resigned since 31 st May, 2021)	2	2/2	No
Ms. Smita Subhash Patti (Appointed since 28 th April, 2021)	3	3/3	Yes

d) Code of Conduct

The Board of Directors has prescribed a Code of Conduct for all members of the Board and the Senior Management of your Company. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct. A declaration signed by the Managing Director of the Company to this effect is enclosed at the end of this report. 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 Listing Agreement, 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 Company Secretary and 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. Haresh 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 2021, 4 (Four) Audit Committee Meetings were held on following dates:

18th February, 2021; 28th April, 2021; 03rd August, 2021; 21st October, 2021

Particulars of attendance of Audit Committee Members at the Audit committee Meetings held during the Financial Year 2021:

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 oversee 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 oversee 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 2021, 2 (Two) Nomination and Remuneration Committee Meetings were held on following dates:

18th February, 2021; 28th April, 2021

Particulars of attendance of Nomination and Remuneration Committee Meetings held during the Financial Year 2021:

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.

Performance Evaluation of Independent Directors

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

In the opinion of the board, the present Independent Directors fulfill the conditions specified in the listing regulations and are independent of the management.

Details of remuneration paid to Managing Director:-

During the year 2021, the remuneration paid to the Managing Director is **INR. 1,66,38,215** per annum.

- **Details of sitting Fees paid to the Non-Executive/ Independent Directors for attending the Board and Committee Meetings during the financial year 2021.**

Name of the Independent & Non – Executive Director	Sitting Fees (In ₹)
Dr. Hareesh Shah	60,000
Mr. GSV Prasad	65,000
Mrs. Shilpa Dixit	10,000
Ms. Smita Patti	25000
Mr. Junichi Suzuki	20,000
Mr. Shailendrajit Rai	30,000

(iii) Stakeholders Relationship Committee

The Stakeholders Relationship Committee oversees, *inter-alia*, redressal of shareholder and investor grievances, transmission/ transposition of shares, non-receipt of annual report or declared dividend, issue of duplicate shares, exchange of new design share certificates, reviewing dematerialization of shares and related matters. The roles and responsibilities of the Stakeholders Relationship Committee are as prescribed under Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

As on 31st December, 2021, the Stakeholders Relationship Committee comprised of total three members including Mr. Satyavara P. Garimella, Independent Director & Chairman of the Committee, Dr. Hareesh Shah, Independent Director and Mr. Kazuo Suzuki, Managing Director as members to look into redressal of Stakeholders' complaints on various issues.

During the year, the Stakeholders Relationship Committee met 1 (One) time on 17th November, 2021 in which all the members were present.

No complaints received from the shareholders during the year Financial Year 2021.

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

Name and designation of Compliance Officer:

Mr. Jeevanjyoti Nayak, was Company Secretary and Compliance Officer of the company during the FY 2021.

vi) Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility Committee 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.

The CSR Committee comprises of total three members including Mr. Satyavara P. Garimella, Independent Director & Chairman of the Committee, Mr. Kazuo Suzuki, Managing Director and *Ms. Smita Subhash Patti, Independent (Woman) Director as members.

Board of Directors had formed the CSR Committee & approved CSR Policy. CSR Policy is available on the website of the Company.

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.

(*Ms. Smita Subhash Patti was appointed as new Independent (woman) Director of Enkei Wheels (India) Limited w.e.f 31st May, 2021 consequent to expiry of term of Mrs. Shilpa Dixit as Independent Director with the conclusion of 12th Annual General Meeting of the company held on 31st May, 2021.)

A Brief outline of the Company's CSR policy:

By performing the task of CSR activities in the following areas, the company would like to give it back something to the society.

- Taking care of Health and Safety of Human life,
- Rural Development,
- Compensating negative impact on the environment,
- Promoting the role and quality of life of villages, making their life sustainable and enjoyable,
- Promotion of education, promoting gender equality and empowering women.

Report on CSR Activities as required under Section 135 of The Companies Act 2013 and Rules framed there under is annexed to the Directors Report.

During the Financial Year 2021, 1 (One) CSR Committee Meeting was held on 28th December, 2021 in which all the members were present.

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 08th December, 2021 to consider the business as required under the Companies Act, 2013 in which all the Independent Directors were present.

5. GENERAL BODY MEETINGS

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

FY	Nature of Meeting	Date	Time	Venue	No. of Special Resolution(s) Passed
2021	Annual General Meeting	31 st May, 2021	10:30 AM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal – Shirur, Pune -412208 (Through Video Conference)	1
2020	Annual General Meeting	18 th July, 2020	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal – Shirur, Pune -412208(Through Video Conference)	1
	Annual General Meeting	09 th July, 2019	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal – Shirur, Pune -412208	4
2019	Extra-Ordinary General Meeting	14 th May, 2019	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal – Shirur, Pune -412208	3

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 :**Thursday, 16th June, 2022 at 12:30 p.m.**Venue :**

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

(ii) Financial Year :from 1st of January to 31st of December of every calendar year.**(iii) Date of Book closure :**Friday, 10th June, 2022 to Thursday, 16th June, 2022. (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. 11th July, 2011)**(vi) Stock Code :**

BSE Limited: 533477

(vii) ISIN :

INE130L01014.

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

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai - 400 001

Tel. No. (022) 2272 1233/34

Fax No. (022) 2272 1919

(ix) Market Price Data for the Year 2021:

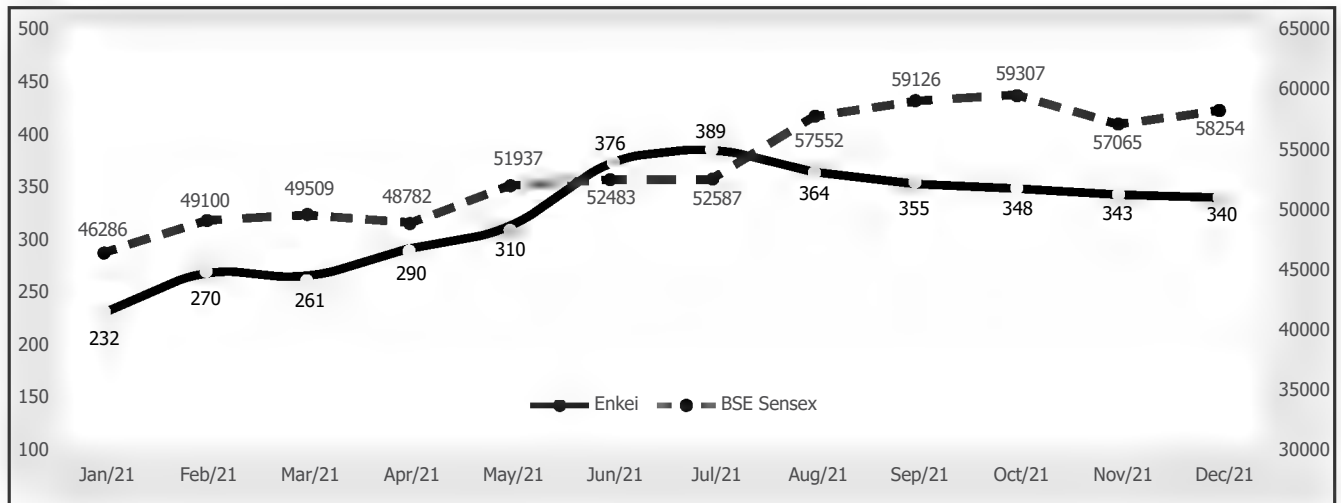
The high and low market price and the volume of Enkei's shares traded on the BSE Limited during the period from 1st January, 2021 to 31st December, 2021 are presented in the following table.

Market Price Data: High/Low in each month of FY, 2021 on the BSE Limited, Mumbai

BSE SENSEX			
Month	High	Low	Close
Jan-21	50184	46160	46286
Feb-21	52517	46434	49100
Mar-21	51822	48236	49509
Apr-21	50376	47205	48782
May-21	52013	48028	51937
Jun-21	53127	51451	52483
Jul-21	53291	51803	52587
Aug-21	57625	52804	57552
Sep-21	60412	57264	59126
Oct-21	62245	58551	59307
Nov-21	61037	56383	57065
Dec-21	59203	55133	58254

EWIL				
Month	High Price	Low Price	Close Price	Volume of Shares traded in month
Jan-21	265	229	232	30537
Feb-21	305	232	270	90415
Mar-21	295	260	261	107901
Apr-21	334	259	290	153913
May-21	337	292	310	140192
Jun-21	431	310	376	180488
Jul-21	427	368	389	55171
Aug-21	439	348	364	75439
Sep-21	384	344	355	34818
Oct-21	401	341	348	60951
Nov-21	372	333	343	37983
Dec-21	385	320	340	68707

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



Registrars and share transfer agents:

The Company has appointed M/s. Universal Capital Securities Private Limited as its Registrar and Transfer Agent (R & T Agent). Share Transfers, 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:-

M/s. Universal Capital Securities Private Limited
 C-101, 247 Park, 01st Floor, L.B.S Marg, Vikhroli (West), Mumbai- 400083.
 Tel: +91(22) 28207203-05, 49186178-79
 Fax: +91(22) 28207207
 Email: info@inisec.in

(x) Share Transmission System

Transmission of shares are processed by the Share Transfer Agent and approved by the Share Transfer Committee which meets at frequent intervals. Share transmissions are registered and returned generally within 30 days from the date of receipt if the relevant documents are complete 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. Further there is no bar on transmission of shares in physical form. Necessary communications were sent to the shareholders as per the guidelines of SEBI.

Distribution and Shareholding Pattern as on 31st December, 2021:

SHARE OR DEBENTURE HOLDING NOMINAL VALUE OF	SHARE HOLDERS		SHARES HOLDINGS	
	NUMBER	% TO TOTAL	NUMBER	% TO TOTAL
UPTO - 500	3159	84.3074	396998	2.2086
501 - 1000	256	6.8321	204048	1.1352
1001 - 2000	146	3.8965	222533	1.2380
2001 - 3000	59	1.5746	152585	0.8489
3001 - 4000	29	0.7740	102381	0.5696
4001 - 5000	23	0.6138	106214	0.5909
5001 - 10,000	32	0.8540	227152	1.2637
10,001 AND ABOVE	43	1.1476	16562984	92.1451
TOTAL	3747	100	17974895	100

(xi) Dematerialization of shares and liquidity

As on 31st December, 2021 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	1651	16469531	91.63
(b) Electronic form - CDSL	1835	1414312	7.87
(b) Physical form	263	91052	0.51
Total (A)	3749	17974895	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 2020, 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. 36(d) of the Financial Statements.
- 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.
- Exposure of the Company to commodity and commodity risks faced by the entity throughout the year:
 - Total exposure of the listed entity to commodities in INR: **Nil**.
 - Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR 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) 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:-

M/s. Universal Capital Securities Private Limited

C-101, 247 Park, 01st Floor, L.B.S Marg, Vikhroli (West), Mumbai- 400083.

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

Fax: +91(22) 28207207

Email: info@inisec.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 address.

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 unqualified opinion in their report on the financial statements of the Company.

Place: PUNE
Date: 15th February, 2022

Kazuo Suzuki
Managing Director
(DIN: 08350372)

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: 15th February, 2022

Kazuo Suzuki
(Managing Director)
(DIN : 08350372)



Independent Auditors' Certificate on Compliance of Conditions of Corporate Governance

To the Members of
Enkei Wheels (India) Limited

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, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para 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 Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V to the Listing Regulations during the year ended 31st December, 2021.
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 SEBI Listing Regulations and may not be suitable for any other purpose.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No. 105215W/W100057

Place : Pune
Date : 15th February, 2022

Suhrod Lele
Partner
Membership No. 121162
UDIN: 22121162ACNWF6045

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 31st December, 2021 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 : 15th February, 2022

Kazuo Suzuki
Managing Director
(DIN: 08350372)

Jitendra Parmar
Chief Financial Officer



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 31st December, 2021 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	30/03/2009
2	HARESH BABULAL SHAH	00228471	15/07/2009
3	JUNICHI SUZUKI	02628162	24/03/2010
4	SATYAVARA PRASAD GARIMELLA	05344245	24/07/2012
5	SHILPA KEDAR DIXIT	00001761	14/08/2014 to 31/05/2021
6	KAZUO SUZUKI	08350372	01/04/2019
7	SMITA SUBHASH PATTI	09150264	28/04/2021

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: A017306C002592912

Place : Pune
Date : 15th February, 2022

INDEPENDENT AUDITOR'S REPORT

To The Members of Enkei Wheels (India) Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Enkei Wheels (India) Limited ("the Company"), which comprise the Balance Sheet as at 31st December, 2021, 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 then ended and notes to the financial statements, including a summary of 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 31st December, 2021, 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 in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, and 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>Revenue is only recognised to the extent that is highly probable a significant reversal will not occur.</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 recognised during the year by verification of underlying documents on a sample basis. Inspecting key customer contracts/ purchase order 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 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 recognised 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>We assessed the Company's process to verify the Capital Expenditure incurred during the year including significant additions to Capital Work-in-Progress related to new manufacturing facility being set up.</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 confirm that the same relates to such capital items which have not yet been put to use by the management • Review of physical verification report carried out by the Management and/or internal auditors, if any, with respect to book records on a test check basis. The Company has disposed off only those assets, which were identified during previous physical verification (mainly moulds). We have relied on the physical verification of fixed assets, which was conducted by the management of the Company. • 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.

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 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.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statement 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 are also 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 the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has 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 year 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. As required by the Companies (Auditor's Report) Order, 2016 ("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 so 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 by 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 as on 31st December, 2021, and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st December, 2021 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 unqualified 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 the impact of pending litigations on its financial position in its financial statements (Refer Note 36.g.).

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. (refer note 21)
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year.
3. 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.

For Kirtane & Pandit LLP

Chartered Accountants
Firm Registration No.105215W/W100057

Suhrud Lele

Partner

Place: Pune

Date: February 15, 2022

Membership No.: 121162

UDIN: 22121162ACNRAJ3149

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 31st December, 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (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, could not be carried out during the year ended 31st December, 2021, on account of COVID-19 pandemic. The Company has disposed off only those assets, which were identified during previous physical verification (mainly moulds). We have relied on the physical verification of fixed assets, which was conducted by the management of the Company.
- (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, comprising all the immovable properties (comprising of freehold land) are held in the name of the Company as at the balance sheet date.
- (ii) According to the information and explanations given to us, the physical verification of inventory (including stock lying with third parties) has been conducted by the management at reasonable intervals. The discrepancies noticed on such physical verification of Inventory as compared to the book records were not material and have been properly dealt with in the Books of Account.
- (iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Accordingly, paragraph 3(iii) of the Order is not applicable.
- (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, reporting under paragraph 3(iv) of the Order is 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) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us and in our opinion, maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31st December, 2021 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Service Tax, Customs Duty, Excise Duty, Goods and Services Tax and Value Added Tax which have not been deposited as on 31st December, 2021 on account of disputes are given below: -

(All amounts in ₹ million, unless otherwise stated)

Nature of dues	Amount under dispute (₹)	Amount paid under protest (₹)	Period for which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961				
Income taxes	30.76	10.06	FY 2015-16	CIT (A)
Central Sales Tax Act, 1956				
Central Sales tax and interest & penalty thereon	9.72	4.47	FY 2015-16	Maharashtra Sales Tax Tribunal
Central Sales tax interest & penalty thereon	6.82	0.38	FY 2017-18	Joint Commissioner Of State Tax (Appeals)
Maharashtra Value Added Tax Act, 2002				
VAT and interest & penalty thereon	1.79	0.74	FY 2014-15	Joint Commissioner Of State Tax (Appeals)
VAT and interest & penalty thereon	1.21	0.63	FY 2016-17	Joint Commissioner Of State Tax (Appeals)

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loan or borrowings from government and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised, except for an amount of ₹ 63 million which has been parked in fixed deposits, pending its utilisation. The Company has not raised money by way of further public offer (including debt instruments) during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements, to the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (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 the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on 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.
- (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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For Kirtane & Pandit LLP

Chartered Accountants

Firm Registration No.105215W/W100057

Suhrud Lele

Partner

Place: Pune

Date: February 15, 2022

Membership No.: 121162

UDIN: 22121162ACNRAJ3149

Annexure "B" **To The Independent Auditor's Report**

Report on the Internal Financial Controls 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 31st December, 2021 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

The 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 authorisations of Management and Directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31st December, 2021, 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

Suhrud Lele

Partner

Place: Pune

Date: February 15, 2022

Membership No.: 121162

UDIN: 22121162ACNRAJ3149

BALANCE SHEET

as at December 31, 2021

(CIN : L34300PN2009PLC133702)

Particulars	Note No.	(All amounts in ₹ million, unless otherwise stated)	
		As at December 31, 2021	As at December 31, 2020
ASSETS			
1 Non-current assets			
Property, plant and equipment	3	1,066.14	1,172.21
Right-of-use assets	3	30.01	45.08
Capital work-in-progress	3.a	2,177.03	1,886.09
Financial assets			
Investments	4	28.73	-
Other financial assets	5	41.63	21.04
Deferred tax assets (net)	6	25.44	18.55
Non-current Income tax assets	7	27.08	59.26
Other non-current assets	8	25.26	87.99
Total - non-current assets		3,421.33	3,290.22
2 Current assets			
Inventories	9	404.96	578.48
Financial assets			
Trade receivables	10	703.08	285.96
Cash and cash equivalent	11	326.57	298.14
Other financial assets	12	1.07	2.67
Other current assets	13	25.81	67.79
Total - Current assets		1,461.50	1,233.03
Total Assets		4,882.82	4,523.25
EQUITY AND LIABILITIES			
1 Equity			
Equity share capital	14	89.87	89.87
Other equity	14.1	1,986.38	1,817.06
Total - equity		2,076.26	1,906.93
Liabilities			
2 Non-current liabilities			
Financial liabilities			
Borrowings	15	1,108.80	1,291.65
Trade payables	16	263.91	239.10
Lease Liabilities	17	9.60	29.58
Provisions	18	2.87	3.17
Total - non-current liabilities		1,385.18	1,563.49
3 Current Liabilities			
Financial liabilities			
Borrowings	19	370.00	230.00
Lease Liabilities	17	25.91	21.36
Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises	20 (i)	10.87	3.52
Total outstanding dues of creditors other than small enterprises	20 (ii)	358.38	339.63
Other financial liabilities	21	563.02	428.61
Other current liabilities	22	73.56	18.01
Provisions	23	8.70	11.70
Current tax liabilities (net)	24	10.94	-
Total - current liabilities		1,421.38	1,052.82
Total Equity and Liabilities		4,882.82	4,523.25

The accompanying notes form part of these financial statements

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

Chartered Accountants
Firm Registration No. 105215W/W100057

Suhrud Lele
Partner
Membership No. : 121162
Place: Pune
Date: February 15, 2022

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

Kazuo Suzuki
(Managing Director)
(DIN : 08350372)

Jitendra Parmar
(Chief Financial Officer)

Haresh Shah
(Director)
(DIN : 00228471)

Jeevanjyoti Nayak
(Company Secretary)

Place: Pune
Date: February 15, 2022

STATEMENT OF PROFIT AND LOSS

for the period ended December 31, 2021

(CIN : L34300PN2009PLC133702)

(All amounts in ₹ million, unless otherwise stated)

Particulars	Note No.	For the period ended December 31, 2021	For the period ended December 31, 2020
I Revenue from Operations	25	4505.27	2352.03
II Other Income	26	23.76	13.92
III Total Income (I + II)		4529.03	2365.95
IV EXPENSES			
Cost of materials consumed	27	2611.77	1225.96
Purchases of stock-in-trade	28	0.01	0.36
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	45.32	31.22
Employee benefits expenses	30	347.76	323.96
Finance Costs	31	20.61	121.49
Depreciation and amortisation expenses	32	191.48	217.66
Other Expenses	33	1137.31	771.59
Total Expenses (IV)		4354.25	2692.25
V Profit/(Loss) before exceptional items and Tax (III-IV)		174.78	(326.30)
VI Exceptional items- Expense/(Income)		0.00	0.00
VII Profit/(Loss) before tax (V-VI)		174.78	(326.30)
VIII Tax Expense:			
Current tax	34	21.61	(4.35)
Deferred tax/(Credit)	35	(9.60)	(8.36)
IX Profit (Loss) for the year (VII-VIII)		162.77	(313.58)
X Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
Remeasurement gain/(loss) on defined benefit obligation		3.75	0.53
Tax impact on above		(1.18)	(0.27)
Changes in fair value of fair value through OCI (FVTOCI) equity instruments		(2.77)	0.00
Tax impact on above		0.65	0.00
B (i) Items that will be reclassified to Profit or Loss			
Effective portion of gain/(loss) on hedging instruments in cash flow hedge		6.69	4.67
Tax impact on above		(2.18)	(1.80)
Other comprehensive income/(loss) (A+B)		4.96	3.14
XI Total Comprehensive Income for the period (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		167.72	(310.45)
XII Earning per Equity share			
(1) Basic (Face Value of ₹ 5/- each)		9.06	(17.96)
(2) Diluted (Face Value of ₹ 5/- each)		9.06	(17.96)
Company information and significant accounting policies	1 & 2		

The accompanying notes form part of these financial statements

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

Chartered Accountants
Firm Registration No. 105215W/W100057

Suhrod Lele
Partner
Membership No. : 121162
Place: Pune
Date: February 15, 2022

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

Kazuo Suzuki
(Managing Director)
(DIN : 08350372)

Jitendra Parmar
(Chief Financial Officer)

Haresh Shah
(Director)
(DIN : 00228471)

Jeevanjyoti Nayak
(Company Secretary)

Place: Pune
Date: February 15, 2022

CASH FLOW STATEMENT

for the period ended December 31, 2021

(CIN : L34300PN2009PLC133702)

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
A Cash Flow from operating activities		
Profit or (Loss) before tax for the year	174.78	(326.30)
Adjusted for :		
Depreciation and amortisation	191.48	217.66
Loss/(Profit) on sale of property, plant & equipment (net)	5.74	1.19
Finance cost (including towards lease liabilities)	20.61	121.49
Interest Income	(7.80)	(11.45)
Unrealised Foreign Exchange Loss/(Gain) (net)	(55.09)	56.56
Operating profit / (loss) before working capital changes	329.72	59.16
Adjusted for :		
(Increase)/decrease in inventories	173.52	127.05
(Increase)/decrease in trade receivables	(417.12)	(74.13)
(Increase)/decrease in other financial assets (current)	1.60	(2.17)
(Increase)/decrease in other financial assets (non-current)	(20.59)	0.10
(Increase)/decrease in other non current assets	5.83	(3.43)
(Increase)/decrease in other current assets	41.97	(4.61)
Increase/(decrease) in trade payables (current)	26.10	9.09
Increase/(decrease) in trade payables (non-current)	26.42	23.92
Increase/(decrease) in other financial liabilities	34.94	13.18
Increase/(decrease) in provisions (current)	0.76	6.42
Increase/(decrease) in provisions (non-current)	(0.30)	0.76
Increase/(decrease) in other current liabilities	55.55	1.79
Cash generated from operations	258.40	157.15
Income tax (paid) / refund	21.51	(1.78)
Net cash flow from / (used in) operating activities (A)	279.92	155.37
B Cash flow from investing activities		
Purchase of Fixed Assets and Capital Expenditure	(360.56)	(649.78)
Sale of Fixed Assets	3.56	0.05
Investment in Equity	(31.50)	0.00
Interest Income	7.80	11.45
Net cash flow from / (used in) investing activities (B)	(380.71)	(638.28)

CASH FLOW STATEMENT (CONTD.)

for the period ended December 31, 2021

(CIN : L34300PN2009PLC133702)

(All amounts in ₹ million, unless otherwise stated)

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
C Cash flow from financing activities		
Proceeds from issue of share capital	0.00	368.47
Proceeds from short term borrowings (net)	140.00	(150.00)
Proceeds from long term borrowings	293.96	446.95
Repayment of Long term borrowings	(261.76)	(147.33)
Payment of Lease Liabilities	(26.33)	(34.00)
Finance cost	(16.63)	(115.38)
Net cash flow from / (used in) financing activities (C)	129.23	368.71
Net increase / (decrease) in cash and cash equivalents (A+B+C)	28.44	(114.20)
Cash and cash equivalents at the beginning of the year	298.14	412.34
Cash and cash equivalents at the end of the year	326.57	298.14
Reconciliation of cash and cash equivalents with the balance sheet :		
Cash and cash equivalents as per Balance Sheet (Refer Note 11)	326.57	298.14
* Comprises		
Cash on Hand	0.27	0.11
Balances with banks		
In current accounts - Rupee accounts	144.04	23.62
In deposit account	182.27	274.41

The accompanying notes form part of these financial statements

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

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

Chartered Accountants
Firm Registration No. 105215W/W100057

Kazuo Suzuki
(Managing Director)
(DIN : 08350372)

Haresh Shah
(Director)
(DIN : 00228471)

Suhrod Lele
Partner
Membership No. : 121162

Jitendra Parmar
(Chief Financial Officer)

Jeevanjyoti Nayak
(Company Secretary)

Place: Pune
Date: February 15, 2022

Place: Pune
Date: February 15, 2022

STATEMENT OF CHANGES IN EQUITY

for the period ended December 31, 2021

(CIN : L34300PN2009PLC133702)

(a) Equity share Capital

(All amounts in ₹ million, unless otherwise stated)

Particulars	Amount
Balance at December 31, 2019	85.38
Changes in equity share capital during financial year FY2020	4.49
Balance at December 31, 2020	89.87
Changes in equity share capital during financial year FY2021	0.00
Balance at December 31, 2021	89.87

(b) Other equity

Particulars	Reserves & Surplus		Other comprehensive income on		Total
	Securities premium reserve	Retained earnings	Equity instruments through OCI	Effective portion of cash flow hedge	
Balance at December 31, 2019	1,458.93	298.24	0.00	(10.50)	1,746.67
Profit /(loss) for the year	0.00	(313.58)	0.00	0.00	(313.58)
Other comprehensive income (net of tax)	0.00	0.26	0.00	2.87	3.14
Total comprehensive income for the year	0.00	(313.32)	0.00	2.87	(310.45)
Additions (net of amortisations) during the year	363.97	16.86	0.00	0.00	380.84
Deduction/Written off during the year	0.00	0.00	0.00	0.00	0.00
Transactions with owners recognised directly in equity					
Dividend	0.00	0.00	0.00	0.00	0.00
Dividend Distribution Tax	0.00	0.00	0.00	0.00	0.00
Balance at December 31, 2020	1,822.90	1.79	0.00	(7.63)	1,817.06
Profit /(loss) for the year	0.00	162.77	0.00	0.00	162.77
Other comprehensive income (net of tax)	0.00	2.57	(2.13)	4.51	4.96
Total comprehensive income for the year	0.00	165.34	(2.13)	4.51	167.72
Additions (net of amortisations) during the year	0.00	1.60	0.00	0.00	1.60
Deduction/Written off during the year	0.00	0.00	0.00	0.00	0.00
Transactions with owners recognised directly in equity					
Dividend	0.00	0.00	0.00	0.00	0.00
Dividend Distribution Tax	0.00	0.00	0.00	0.00	0.00
Balance at December 31, 2021	1,822.90	168.73	(2.13)	(3.12)	1,986.38

The accompanying notes form part of these financial statements

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

Chartered Accountants
Firm Registration No. 105215W/W100057

Suhrod Lele
Partner
Membership No. : 121162
Place: Pune
Date: February 15, 2022

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

Kazuo Suzuki
(Managing Director)
(DIN : 08350372)

Jitendra Parmar
(Chief Financial Officer)

Haresh Shah
(Director)
(DIN : 00228471)

Jeevanjyoti Nayak
(Company Secretary)

Place: Pune
Date: February 15, 2022

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2021

1 Corporate information

Enkei Wheels (India) Limited ("the Company") is public limited company incorporated and domiciled in India, listed on the Bombay Stock Exchange (BSE). The address of its works and registered office is Gat No. 1425, Village: Shikrapur, Taluka: Shirur, Dist: Pune - 412 208. It also has warehouses in the states of Haryana, Gujarat & Karnataka. The Company is subsidiary of Enkei Corporation, Japan.

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

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 (INR), 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 15th February, 2022.

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.

Estimation of uncertainties relating to the global health pandemic from COVID-19 :

The Company has considered possible effects that may result from pandemic relating to COVID-19 on the carrying amount of property, plant and equipment, investments, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions due to pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Critical Accounting Estimates used in measurement of the following

- (a) Employee benefits -Defined benefit plans/ obligations - Note 2.3 (x) (b)

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- (b) Deferred tax assets - Note 2.3 (xiv) (d)
- (c) Impairment of Property, Plant & Equipment - Note 2.3 (xv)
- (d) Provisions and contingent liabilities - Note 2.3 (xiv)

2.3 Significant Accounting Policies

i) 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.

ii) 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	Useful Life years
Building	3 years to 30 years
Computers, including Servers	3 years
Electrical Installation	8 years to 10 years
Factory Equipment	8 years
Furniture and Fixture	5 years
Motor Vehicles	8 years
Office Equipment	5 years
Plant and Machinery including Dies and Molds	4 years to 8 years
Quality Control Equipments	8 years

iii) Revenue recognition

- a) Revenue from sale of goods is recognised on dispatch of goods and when the significant risks and rewards of ownership and substantial 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.
- b) Revenue is measured at fair value of the consideration received or receivable, after deducting/excluding any trade discounts and taxes or duties collected on behalf of the government such as goods and services tax and taxes collected at source. A receivable is recognised when the goods are despatched to the buyer/customer. The consideration receivable is not conditional as the buyer /customer is going to pay in all eventualities once the payment is due, as agreed and which in any case does not exceed a period of twelve months from the date the goods are delivered. Accordingly, adjustment of the transaction prices for the time value of money has not been considered necessary.
- 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.

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iv) 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.

v) Expenditure

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

vi) 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 which are initially measured at transaction price. Its 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.

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)

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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 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 21 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.

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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 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 21.

vii) 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.(vi)], where the Company has neither joint control nor significant influence over the Joint Venture.

viii) 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, if any. The cost represents purchase price (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.

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- 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.

ix) Foreign currency transactions and translations

- a) Transactions denominated in foreign currencies are recorded at functional currency using exchange rate prevailing on the date transactions or that approximates the actual rate at the date of transaction. The financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency
- b) Monetary items denominated in foreign currencies and which are outstanding as at end of the reporting period are translated at exchange rates prevailing as at end of the reporting period.
- c) The gains or losses on account of exchange differences either on settlement or on translations are recognised in the Statement of Profit and Loss.
- d) 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, negative finance costs for year December 31, 2021 include such foreign exchange gains, related to borrowings whose foreign exchange losses were earlier considered as adjustment to interest.

x) Employee benefits

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

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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.

c) Short-term employee 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.

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

xi) 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, negative finance costs for year December 31, 2021 include such foreign exchange gains, related to borrowings whose foreign exchange losses were earlier considered as adjustment to interest.

Accordingly, negative finance costs for year December 31, 2021 include such foreign exchange gains, related to borrowings whose foreign exchange losses were earlier considered as adjustment to interest.

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xii) 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.

- 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.

xiii) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting within the entity using Management Approach. The Company has single operating segment viz. that of Automotive

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Wheels. Accordingly, disclosure requirements as per Indian Accounting Standard (Ind AS 108) - "Operating Segment" are not applicable to the Company.

liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

xiv) Taxes on income

- a) Income Tax expense comprises of current tax and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or in equity.
- b) Current tax is the amount expected to be paid (or recovered) to/(from) the tax authorities using the tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date. It also includes adjustment to taxes in respect of previous periods.
- c) Deferred tax expense (or credit) are recognised subject to the consideration of prudence, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used for taxation purposes. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.
- d) Deferred tax liabilities are recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax liabilities and assets are measured using tax rates enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- e) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax

xv) 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.

xvi) 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

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

- c) Contingent Liabilities are not recognised but are disclosed in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that 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.

xvii) 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.

xviii) 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.

xix) 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.

xx) 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.

SIGNIFICANT ACCOUNTING POLICIES

forming part of the financial statements for the year ended December 31, 2021

xxi) 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.

xxii) On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule

III of the Companies Act, 2013. The amendments revise Division I, II and III of schedule III and are applicable from financial years beginning on or after April 1, 2021. As such, these would be applicable to the Company for the financial year ended December 31, 2022 and the Company is evaluating the effect of the amendments on its financial statements.

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forming part of the financial statements

Note : 3 Property, Plant and Equipment

(All amounts in ₹ million, unless otherwise stated)

Description	Gross Block			Depreciation/Amortisation and Depreciation			Net Block			
	As at January 01, 2021	Additions/ Adjustments	Deduction/ Adjustments	As at December 31, 2021	As at January 01, 2021	For the Year	Deduction/ Adjustments	As at December 31, 2021	WDV as on December 31, 2020	WDV as on December 31, 2021
Free Hold Land	340.99	-	-	340.99	-	-	-	-	340.99	340.99
Building	279.75	1.47	8.94	281.22	117.23	10.86	8.49	128.08	153.13	162.52
Plant and Equipment	1,972.29	8.83	0.41	1,972.17	1,459.23	102.23	0.39	1,552.98	419.20	513.05
Computers	21.92	0.32	0.11	21.83	19.89	0.71	0.39	20.20	1.63	2.03
Furnitures & Fixtures	8.77	0.11	-	8.89	8.02	0.14	-	8.16	0.72	0.75
Vehicles - Owned	18.65	0.06	0.08	18.65	10.31	1.84	0.08	12.16	6.49	8.34
Office Equipment	12.40	0.06	0.08	12.38	10.31	0.69	0.08	10.92	1.45	2.09
Dies & Moulds	536.02	61.92	176.45	421.50	393.59	53.00	167.62	278.96	142.54	142.43
Sub Total	3,190.79	72.71	185.89	3,077.62	2,018.59	169.47	176.58	2,011.48	1,066.14	1,172.21
Right of Use Assets	-	-	-	-	-	-	-	-	-	-
Buildings	73.02	7.83	0.89	79.96	31.77	20.10	-	51.86	28.10	41.26
Plant and Equipment	4.79	-	-	4.79	0.96	1.91	-	2.87	1.91	3.82
Sub Total	77.81	7.83	0.89	84.75	32.73	22.01	-	54.74	30.01	45.08
Total	3,268.60	80.54	186.78	3,162.37	2,051.32	191.48	176.58	2,066.21	1,096.15	1,217.29

Description	Gross Block			Depreciation/Amortisation and Depreciation			Net Block			
	As at January 01, 2020	Additions/ Adjustments	Deduction/ Adjustments	As at December 31, 2020	As at January 01, 2020	For the Year	Deduction/ Adjustments	As at December 31, 2020	WDV as on December 31, 2019	WDV as on December 31, 2020
Free Hold Land	340.99	-	-	340.99	-	-	-	-	340.99	340.99
Building	279.34	1.28	0.88	279.75	106.48	11.58	0.83	117.23	162.52	172.86
Plant and Equipment	1,989.53	5.53	22.76	1,972.29	1,364.90	115.96	21.63	1,459.23	513.05	624.63
Computers	22.69	0.46	1.23	21.92	19.78	1.28	1.17	19.89	2.03	2.91
Furnitures & Fixtures	8.69	0.09	-	8.77	7.88	0.14	-	8.02	0.75	0.81
Vehicles - Owned	18.65	-	-	18.65	8.21	2.11	-	10.31	8.34	10.44
Office Equipment	12.26	0.15	-	12.40	9.53	0.79	-	10.31	2.09	2.73
Dies & Moulds	503.25	32.77	-	536.02	343.09	50.50	-	393.59	142.43	160.16
Sub Total	3,175.38	40.28	24.87	3,190.79	1,859.85	182.36	23.62	2,018.59	1,172.21	1,315.53
Right of Use Assets	-	-	-	-	-	-	-	-	-	-
Buildings	87.07	5.37	19.42	73.02	15.49	32.03	15.76	31.77	41.26	71.58
Plant and Equipment	13.91	4.79	13.91	4.79	3.49	3.27	5.80	0.96	3.82	10.42
Sub Total	100.98	10.16	33.33	77.81	18.98	35.30	21.56	32.73	45.08	82.00
Total	3,276.36	50.43	58.19	3,268.60	1,878.83	217.66	45.18	2,051.32	1,217.29	1,397.53

Note : 3.a Capital Work-In-Progress:

Description	Finance cost on Plant and Machinery			Finance cost on Plant and Machinery			Finance cost on Plant and Machinery			Total
	As at January 01, 2021	Equipped	Buildings	Plant and Machinery	Interest Paid	Interest Received	Exchange Fluctuation	Computers and Fixtures	Furniture and Fixture	
Gross carrying value as at January 01, 2021	0.03	417.72	417.72	1,390.80	15.24	(25.25)	87.19	0.38	0.06	1,886.09
Additions	0.06	101.83	101.83	266.48	11.86	(2.94)	(76.07)	0.32	0.11	62.00
Deletions	0.06	1.47	1.47	8.83	-	-	-	0.32	0.11	61.92
Gross carrying value as at December 31, 2021	0.03	518.07	518.07	1,648.46	27.10	(28.19)	11.12	0.38	0.06	2,177.03

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(All amounts in ₹ million, unless otherwise stated)

Note : 4. Investments (non-current assets) (Unsecured and considered good, unless otherwise stated)

Sr. Particulars No	As at December 31, 2021	As at December 31, 2020
1 Investment in joint venture		
Fair value through Other Comprehensive Income	28.73	-
Joint venture name : Nikkei CMR Aluminium India Private Limited		
Principal place of business : Sanaswadi, Pune		
Country of Incorporation : India		
Total	28.73	-

Note : 5. Other financial assets (non-current assets) (Unsecured and considered good, unless otherwise stated)

Sr. Particulars No	As at December 31, 2021	As at December 31, 2020
1 Security deposits *	41.41	20.77
2 Deposits having maturity of more than 12 months (Held as lien against Bank Guarantee)	0.22	0.27
Total	41.63	21.04

* measured at amortised Cost

Note : 6. Deferred tax assets (net)

Sr. Particulars No	As at December 31, 2021	As at December 31, 2020
1 Deferred tax assets	25.44	18.55
2 Mat credit entitlement	-	-
Total	25.44	18.55

Deferred tax asset

FY 2021	Opening Balance	Recognized in profit or loss	Recognized in OCI	Adjustments	Closing Balance
Deferred tax assets					
Property, plant and equipment and intangible assets	31.27	4.37	-	-	35.65
Cash flow hedges	3.46	-	(2.18)	-	1.28
Expenses deductible in future years	7.97	(1.91)	(0.53)	-	5.52
	42.71	2.46	(2.71)	-	42.46
Deferred tax liabilities					
Right of use assets and lease liabilities	1.83	(0.22)	-	-	1.60
Long term trade payables	(25.98)	7.36	-	-	(18.62)
	(24.15)	7.14	-	-	(17.02)
Net deferred tax assets	18.55	9.60	(2.71)	-	25.44
MAT credit entitlement/(Utilisation)	-	-	-	-	-
Deferred tax assets	18.55	9.60	(2.71)	-	25.44

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(All amounts in ₹ million, unless otherwise stated)

FY 2020	Opening Balance	Recognized in profit or loss	Recognized in OCI	Adjustments	Closing Balance
Deferred tax assets					
Property, plant and equipment and intangible assets	32.32	(1.05)	-	-	31.27
Cash flow hedges	5.26		(1.80)	-	3.46
Expenses deductible in future years	2.74	5.50	(0.27)	-	7.97
	40.33	4.45	(2.07)	-	42.71
Deferred tax liabilities					
Right of use assets and lease liabilities	(0.52)	2.35	-	-	1.83
Long term trade payables	(27.55)	1.57	-	-	(25.98)
	(28.07)	3.91	-	-	(24.15)
Net deferred tax assets	12.26	8.36	(2.07)	-	18.55
MAT credit entitlement/(Utilisation)	11.81	-	-	(11.81)	-
Deferred tax assets	24.07	8.36	(2.07)	(11.81)	18.55

Note : 7. Non Current tax assets (net)

Sr. Particulars No	As at December 31, 2021	As at December 31, 2020
1 Advance Tax and TDS receivable (Net)	27.08	59.26
Total	27.08	59.26

Note : 8 Other non-current assets (Unsecured and considered good, unless otherwise stated)

Sr. Particulars No	As at December 31, 2021	As at December 31, 2020
a Capital advances - considered good	18.43	75.33
b Balances with government authorities *	6.83	12.66
Total	25.26	87.99

* This includes amounts paid under protest for ongoing appeal proceedings, referer note 36 (g).

Note : 9. Inventories (Valued at the lower of cost and net realizable value)

Sr. Particulars No	As at December 31, 2021	As at December 31, 2020
1 Raw materials	91.27	222.14
2 Finished goods	255.99	326.35
3 Work-in-progress	26.50	1.40
4 Traded goods -Accessories	0.02	0.09
5 Stores,spares & consumables	27.87	26.03
6 Fuel & gas	3.31	2.48
Total	404.96	578.48

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note : 9. Inventories (contd.) Details of inventories

Sr. No	Particulars	As at December 31, 2021	As at December 31, 2020
1	Raw materials		
	Aluminium ingots	91.27	184.00
	Stock with 3rd Party	-	2.00
		91.27	186.01
2	Finished goods (lower of cost and net realisable value)		
a	Wheels - Two wheelers	155.39	208.37
b	Wheels - Four wheelers	100.60	117.97
		255.99	326.35
3	Work-in-progress		
a	Wheels - Two wheelers	8.44	0.12
b	Wheels - Four wheelers	18.05	1.28
		26.50	1.40
4	Traded goods		
a	Accessories	0.02	0.09
		0.02	0.09
5	Stores, spares & consumables	26.92	25.89
6	Fuel & gases	3.31	2.48
7	Inventory includes in transit inventory of :		
	Aluminium Ingot	-	36.13
	Stores, spares & consumables	0.96	0.14
	Total	404.96	578.48

Note : 10. Trade Receivables

Sr. No	Particulars	As at December 31, 2021	As at December 31, 2020
	Unsecured - considered good	703.08	285.96
	- considered doubtful	-	-
	Total	703.08	285.96

Note : 11. Cash & cash equivalents

Sr. No	Particulars	As at December 31, 2021	As at December 31, 2020
	Cash & cash equivalents		
1	In current accounts	144.04	23.62
2	Deposits having maturity upto 3 months	182.27	274.41
3	Cash in hand	0.27	0.11
	Total	326.57	298.14

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note : 12. Other financial assets (current assets) (Unsecured and considered good, unless otherwise stated)

Sr. Particulars No	As at	
	December 31, 2021	December 31, 2020
1 Interest accrued on term deposits	0.16	0.07
2 Security Deposits	0.86	0.19
3 Advances against Salary	0.05	0.06
4 Others	-	2.35
Total	1.07	2.67

Note :13. Other current assets

Sr. Particulars No	As at	
	December 31, 2021	December 31, 2020
Unsecured, Considered Good :		
1 Prepaid expenses	7.22	7.17
2 Balances with government authorities	9.82	51.43
3 Advance to suppliers	8.61	9.05
4 Advances against expenses	0.16	0.14
Total	25.81	67.79

Note : 14. Equity Share capital

Sr. Particulars No	As at December 31, 2021		As at December 31, 2020	
	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	70.00	14,000,000	70.00
	66,000,000	330.00	66,000,000	330.00
2 ISSUED , SUBSCRIBED & 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

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. Particulars No	As at December 31, 2021		As at December 31, 2020	
	Number of shares	Amount	Number of shares	Amount
(i) Shares outstanding at the beginning of the year	17,974,895	89.87	17,076,195	85.38
(ii) Add : Shares issued during the year	-	-	898,700	4.49
	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

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

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

Sr. No	Particulars	As at December 31, 2021		As at December 31, 2020	
		No. of Equity shares		No. of Equity shares	
Lock-in of equity shares held by the Promoters					
	Enkei Corporation, Japan		13,474,895		13,474,895

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

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

Sr. No	Class of shares / Name of shareholder	As at December 31, 2021		As at December 31, 2020	
		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/-)

Sr. No	Particulars	As at December 31, 2021		As at December 31, 2020	
		Number of shares held	Amount	Number of shares held	Amount
(i) Equity shares					
a	Enkei Corporation, Japan	13,474,895	67.37	13,474,895	67.37

Note : 14.1. Other equity

Particulars	As at December 31, 2021	As at December 31, 2020
Securities premium account		
Opening Balance	1,822.90	1,458.93
Add: Additions during the year	-	363.97
Closing Balance	1,822.90	1,822.90
Retained earnings		
Opening Balance	(78.64)	218.84
Add/(Less): Adjustments	20.94	16.10
Profit for the year	162.77	(313.58)
Closing Balance	105.07	(78.64)
Equity component of compound financial instruments		
Opening Balance	83.28	82.52
Add: Addition/(Deletion)	(19.33)	0.76
Closing Balance	63.94	83.28
Other Comprehensive Income		
Items that will not be reclassified to Profit or Loss		
Remeasurements of defined benefits obligations		
Opening Balance	(2.85)	(3.12)
Remeasurements of post-employment benefit obligation	3.75	0.53
Income Tax thereon	(1.18)	(0.27)
Closing Balance	(0.28)	(2.85)

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Particulars	As at December 31, 2021	As at December 31, 2020
Changes in Fair Value of Equity Instruments		
Opening Balance	-	-
Net gain/(loss) on equity instruments designated at FVTOCI for the year	(2.77)	-
Income Tax thereon	0.65	-
Closing Balance	(2.13)	-
Items that will be reclassified to Profit or Loss		
Cash flow hedging reserve		
Opening Balance	(7.63)	(10.50)
Recognized/(released) during the year	6.69	4.67
Income tax related to above	(2.18)	(1.80)
Balance at the end of year	(3.12)	(7.63)
Total Comprehensive Income	(5.53)	(10.49)
Total other equity	1,986.38	1,817.06

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for the cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the hedging of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedging item.

Note : 15. Borrowings

Particulars	As at December 31, 2021	As at December 31, 2020
Unsecured		
(A) Term Loans- Foreign Currency Loans (ECBs) (Repayable over a period of 5 to 8 years with first repayment date as given below)	1,109	1,292
Total	1,109	1,292

Note : 15. Borrowings (contd.)

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

Particulars	As at December 31, 2021	As at December 31, 2020
Unsecured		-
Foreign Currency Loans from Banks		
External Commercial Borrowings	Unit - Million JPY	
Bank/Organization Name	Original Loan	Loan Balance
	Currency	Date of Availed
	Month of 1st Repayment	Rate of Interest
	Number of installments	Installment amount
The MUFG Bank Ltd	1060	318
		JPY
		March 30, 2015
		Sep 18
		1.52%
		10
		106
The MUFG Bank Ltd	200	167
		JPY
		March 30, 2019
		Sep 21
		1.18%
		6
		33
The MUFG Bank Ltd	300	250
		JPY
		April 26, 2019
		Sep 21
		1.18%
		6
		50
Total The MUFG Bank Ltd	1,560	735
	474.15	729.65

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Particulars										As at December 31, 2021	As at December 31, 2020
The MIZUHO Bank Ltd	200	167	JPY	Jun 14, 2019	Dec 21	1.20%	6	33			
The MIZUHO Bank Ltd	300	250	JPY	Jul 16, 2019	Dec 21	1.20%	6	50			
Total The MIZUHO Bank Ltd	500	417								268.92	354.20
Enkei Corporation	450	450	JPY	Jan 16, 2020	Jul 24	1.19%	6	75			
Enkei Corporation	222	222	JPY	March 31, 2020	Sep 24	1.19%	6	37			
Enkei Corporation	440	440	JPY	March 31, 2021	May 25	1.19%	6	73			
Total Enkei Corporation	1,112	1,112								717.68	476.04
Total ECB Loan	3,172	2,263									
Sub-Total										1,460.76	1,559.90
Less: Current maturities of long-term borrowings (Refer Note No. 21)										351.96	268.25
Total Long -term Borrowings										1,108.80	1,291.65

There has been no breach of covenants mentioned in the loan agreements during the reporting period.

Holding company Enkei Corporation has given guarantee to respective banks in respect of above borrowings.

Note : 16. Trade payables -(non-current liabilities)

Particulars	As at December 31, 2021	As at December 31, 2020
Trade payables- Related parties	263.91	239.10
Total	263.91	239.10

Note : 17. Lease Liabilities

Particulars	As at December 31, 2021	As at December 31, 2020
Non Current - Lease Liabilities	9.60	29.58
Current - Lease Liabilities	25.91	21.36
Total	35.52	50.94

Note : 18. Long term Provisions

Particulars	As at December 31, 2021	As at December 31, 2020
Provision for employee benefits:		
Provision for compensated absences	2.87	3.17
Total	2.87	3.17

Note 36 i gives details of Defined Benefit plans

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note : 19 Borrowings -(current liabilities)

Particulars	As at December 31, 2021	As at December 31, 2020
Unsecured		
Working Capital Demand Loans		
- From Banks	370.00	230.00
Cash Credit	-	-
Total	370.00	230.00

Note : 19.1. Short-term Borrowings -(current liabilities) (contd.) Details of applicable rate of interest, security wherever provided etc.

Particulars	As at December 31, 2021	As at December 31, 2020
Unsecured		
Security		
Financing against sales invoice of Customers		
Working Capital Demand Loans from Banks		
(1) MUFG Bank Ltd.	140.00	-
Security		
Corporate guarantee by holding Company, Enkei Corporation, Japan		
Repayment		
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	120.00
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)		
(3) Sumitomo Mitsui Banking Corporation	30.00	110.00
Security		
Letter of guarantee by holding Company, Enkei Corporation, Japan		

There has been no breach of covenants mentioned in the loan agreements during the reporting period.

Note : 20. Trades payables -(current liabilities)

Particulars	As at December 31, 2021	As at December 31, 2020
Total outstanding dues of Micro, Small & Medium Enterprises	10.87	3.52
Total outstanding dues of Creditors other than Micro, Small & Medium Enterprises	358.38	339.63
Total	369.25	343.14

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note : 21. Other financial liabilities - (current liabilities)

Particulars	As at December 31, 2021	As at December 31, 2020
Financial liabilities carried at amortised cost		
Current maturities of long-term debt	351.96	268.25
Payables on purchase of Property, Plant and Equipments	95.31	72.86
Employee dues	46.32	46.21
Interest accrued but not due	2.15	3.38
Deposits from customers	0.27	0.10
Derivative liability in respect of derivative contract -		
IRS	4.41	11.09
Forward Contracts	3.67	1.65
Others	58.94	25.07
Total	563.02	428.61

Note : 22. Other current liabilities

Particulars	As at December 31, 2021	As at December 31, 2020
Statutory dues payable	73.56	18.01
Total	73.56	18.01

Note : 23. Short-term provisions

Particulars	As at December 31, 2021	As at December 31, 2020
Provision for employee benefits		
Provision for retirement allowance	6.70	7.69
Provision for compensated absences	2.00	4.01
Total	8.70	11.70

Note 36i gives details of Defined Benefit plans

Note : 24. Current tax liabilities

Particulars	As at December 31, 2021	As at December 31, 2020
Provision for Income Tax (Net)	10.94	-
Total	10.94	-

Note : 25. Revenue from operations

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Sale of products	4,446.11	2,325.99
Other operating revenues	59.15	26.04
Total	4,505.27	2,352.03

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note: 25.1 Particulars of sale of products

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Manufactured goods		
Wheels - Two wheelers	1,366.76	856.43
Wheels - Four wheelers	3,079.26	1,469.16
Total - Sale of manufactured goods	4,446.02	2,325.59
Traded goods		
Wheels - Four wheelers		
Accessories	0.09	0.40
Total - Sale of traded goods	0.09	0.40
Total - Sale of products	4,446.11	2,325.99

Note : 26. Other income

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Interest on term deposits	4.51	9.40
Exchange variation on foreign currency transactions(net)	15.32	-
Miscellaneous income	0.62	2.26
Interest on income tax refund	2.43	0.19
Interest on others	0.85	1.85
Others-Gain on cancellation of leases	0.04	0.21
Total	23.76	13.92

Note : 27. Cost of materials consumed

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Raw material inventory at the beginning of year	222.14	310.12
Add: Purchases during the year	2,480.90	1,137.99
	2,703.04	1,448.10
Less: Raw material inventory at the end of year	91.27	222.14
Cost of materials consumed	2,611.77	1,225.96

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Raw materials		
Imported	2,187.67	1,075.86
Indigenous	293.23	62.12
Total	2,480.90	1,137.99

Note : 28. Purchases of stock-in-trade

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Purchase of Accessories	0.01	0.36
Total	0.01	0.36

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note : 29. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Opening balances		
Finished goods manufactured	326.35	358.85
Work-in-Progress	1.40	0.08
Stock-in-trade	0.09	0.12
	327.83	359.06
Closing balances		
Finished goods manufactured	255.99	326.35
Work-in-Progress	26.50	1.40
Stock-in-trade	0.02	0.09
	282.51	327.83
Total	45.32	31.22

Note : 30. Employee benefits expenses

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Salaries and wages	298.20	279.11
Contribution to Provident and other Funds	14.41	19.32
Staff welfare expenses	35.15	25.52
Total	347.76	323.96

Note:36 i gives details of Defined Benefit plans and Defined Contribution plans

Note : 31. Finance costs

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Interest on term loans - Foreign Currency Loans (ECB) (Refer note xi)	(30.22)	71.70
Interest on Working Capital Demand Loan	24.77	26.86
Interest on employee benefits	0.65	0.31
Unwinding of interest on remeasurement of trade payables	20.94	16.10
Interest on Lease Liabilities	3.97	6.12
Other borrowing costs	0.51	0.41
Total	20.61	121.49

Note : 32. Depreciation & amortisation expense

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Depreciation on property, plant and equipment	169.47	182.36
Depreciation on right of use assets	22.01	35.30
Total	191.48	217.66

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note : 33. Other expenses

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Manufacturing Expenses		
Consumption of stores & spares	299.96	189.30
Power and fuel	333.50	218.74
Processing charges- Remelting	57.70	37.52
Contract Labour	74.46	49.23
Royalty	66.04	34.52
Repairs and Maintenance	15.11	11.56
Annual Maintenance Charges	5.71	4.42
Others-Manufacturing Expenses	17.77	10.68
	870.26	555.96
Exchange variation on foreign currency transactions(net)	-	12.97
Administrative Expenses		
Legal and Professional Fees	68.74	71.41
Corporate Social Responsibility Expenses (refer note 36e)	-	3.88
Loss on sale of property, plant and equipment	5.74	1.19
Security Expenses	7.24	6.93
Insurance	10.82	9.33
Hedging and Bank Charges	9.29	3.95
General Admin Expenses	25.05	23.41
	126.89	120.10
Selling & Distribution Expenses		
Transportation expenses	121.69	73.21
S and A Others	18.47	9.34
	140.16	82.55
Total	1,137.31	771.59

Note : 33.1 Consumption - Stores & Spares

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Opening Stock	26.03	34.98
Add: Purchases	301.81	180.34
	327.83	215.32
Less: Closing Stock	27.87	26.03
Cost of stores & spares consumed	299.96	189.30

Note : 34. Current Tax

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Current Tax - Current year	21.61	-
MAT credit entitlement	-	-
Current Tax - Prior period (Excess provisions of earlier years)	-	(4.35)
Total Current Tax Expense recognised in the statement of profit and loss	21.61	(4.35)

Note : 35. Deferred Tax

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Deferred Tax - Current Year (for temporary timing differences including reversals thereof)	(9.60)	(8.36)
Total	(9.60)	(8.36)

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements

Sr. No	Particulars
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a **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, 2021	As at December 31, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	13.82	3.52
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company.

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

Amount of loan and advances in nature of loans outstanding from subsidiaries :

Name of the subsidiary	Relationship	Amount outstanding as at December 31, 2021	Amount outstanding as at December 31, 2020
-	-	-	-

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, 2021 in Foreign currency	As at December 31, 2020 in Foreign currency
Forward Contracts against Imports		
- In US Dollars Number of contracts.....(10)	3,974,328	2,454,904
- In Japanese Yen Nil Number of contracts.....(Nil)	-	-
	3,974,328	2,454,904
	In Indian Rupees	In Indian Rupees
- Equivalent Indian Rupees	298.34	179.34

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

e Details of CSR Expenditure : -

Particulars	As at December 31, 2021	As at December 31, 2020
Gross Amount to be spent during the year	-	2.54
a. Construction/acquisition of any asset	-	-
b. Purpose other than (a) above	-	3.88
Amount spent during the year	-	3.88
Balance amount unspent/ (excess spent) as at close of the financial year	-	(1.34)

f Auditors Remuneration

Particulars	As at December 31, 2021	As at December 31, 2020
Statutory Audit	1.40	1.40
Corporate Governance	0.10	0.10
Certification Fees	0.02	0.04
Limited Reviews	0.23	0.23
Out of Pocket Expenses	0.01	0.01
	1.75	1.77

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

Particulars	As at December 31, 2021	As at December 31, 2020
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debts -		
Disputed tax liabilities under the Income Tax Act	30.76	30.76
Amount of ₹ 10,061,263/- (Previous year ₹ 10,061,263/-) has been paid under protest.		
Disputed tax liabilities under MVAT and CST - refer Note no 8	19.53	9.72
Amount of ₹ 6,214,286/- (Previous year ₹ 44,69,468/-) has been paid under protest.		
Disputed tax liabilities under Central Excise Act	41.70	41.90
Disputed tax liabilities under Service Tax	-	0.77
Disputed liabilities under Tahsildar, Shirur	-	2.43
(b) Guarantees issued by the banks	1.70	1.50
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible Assets	123.38	225.08

Note :1) 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

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

- 2) 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.
- 3) The Company does not expect any reimbursements in respect of the above contingent liabilities.

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

Particulars	As at December 31, 2021	As at December 31, 2020
Net profit / (loss) for the year	162.77	(313.58)
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	162.77	(313.58)
Weighted average number of equity shares for calculation of Basic EPS	17,974,895	17,456,792
Weighted average number of equity shares for calculation of Diluted EPS	17,974,895	17,456,792
Face value per share	₹ 5/- per share	₹ 5/- per share
Earnings per share - Basic	9.06	(17.96)
Earnings per share - Diluted	9.06	(17.96)

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, 2021	For the year ended December 31, 2020
Contributions to employer provident fund	11.72	10.04
Contribution to employer state insurance	0.69	0.40

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.

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Gratuity

Changes in present value of defined benefit obligation	For the year ended December 31, 2021	For the year ended December 31, 2020
Present value of defined benefit obligation at the beginning of the year	35.11	32.04
Current service cost	3.25	3.25
Interest cost	2.22	2.24
Actuarial loss / (Gain) recognised in other comprehensive income		
a) Financial (Gain)/Loss on plan liabilities	(2.79)	3.95
b) Demographic (Gain)/Loss on plan liabilities	-	-
c) Experience (Gain)/Loss on plan liabilities	(0.83)	(4.39)
Past service cost	-	-
Benefits paid	(0.83)	(1.99)
Present value of defined benefit obligation at the end of the year	36.13	35.11

Change in the fair value of plan assets	For the year ended December 31, 2021	For the year ended December 31, 2020
Fair Value of plan assets at the beginning of the period	27.42	27.91
Interest Income	1.76	1.93
Return on plan assets, excluding interest income	0.13	0.10
Contributions	1.08	1.00
Mortality charges and taxes	(0.15)	(0.21)
Benefit paid	(0.81)	(3.31)
Fair Value of plan assets at the end of the period	29.43	27.42

Analysis of defined benefit obligation	For the year ended December 31, 2021	For the year ended December 31, 2020
Present value of obligation as at the end of the year	36.13	35.11
Fair Value of Plan Assets at the end of the Period	29.43	27.42
Net (asset) / liability recognized in the Balance Sheet	6.70	7.69
Bifurcation of liability as per Schedule III		
Current Liability	6.70	7.69
Non-Current Liability	29.43	27.42
Net (asset) / liability recognized in the Balance Sheet	6.70	7.69

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	For the year ended December 31, 2021	For the year ended December 31, 2020
Current service cost	3.25	3.25
Net Interest Cost	0.46	0.31
Past Service Cost	-	-
Mortality charges and taxes	0.15	0.21
Expenses recognized in the Statement of Profit and Loss	3.86	3.77

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	For the year ended December 31, 2021	For the year ended December 31, 2020
Actuarial loss / (gain)	(3.62)	(0.43)
Return on plan assets, Excluding interest income	(0.13)	(0.10)
Net (income)/expense recognized in the OCI	(3.75)	(0.53)

Analysis of defined benefit obligation	For the year ended December 31, 2021	For the year ended December 31, 2020
Net opening provision in books of accounts	7.69	4.13
Employee Benefit Expense	3.86	3.77
Amounts recognized in Other Comprehensive Income	(3.75)	(0.53)
Claims received from the insurer in lieu of Unpaid Gratuity Benefits	-	1.32
Contribution for the period	(1.08)	(1.00)
Net (asset) / liability recognized in the Balance Sheet	6.72	7.69

Composition of the plan assets	For the year ended December 31, 2021	For the year ended December 31, 2020
Policy of insurance	100%	100%
Total	100%	100%

Actuarial Assumptions:	For the year ended December 31, 2021	For the year ended December 31, 2020
Discount rate	7.0%	6.4%
Salary Escalation	6.0%	6.0%

Withdrawal rates per annum	For the year ended December 31, 2021	For the year ended December 31, 2020
- 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%

- 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.

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Projected benefit obligation on current assumptions	For the year ended December 31, 2021		For the year ended December 31, 2020	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	34.01	38.44	32.94	37.48
Future salary growth (0.5 % movement)	38.27	34.14	37.30	33.07
Attrition rate (0.5% movement)	36.49	35.74	35.19	35.03

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	For the year ended December 31, 2021	For the year ended December 31, 2020
1 st Following year	1.34	1.36
2 nd Following year	2.01	1.33
3 rd Following year	1.54	2.01
4 th Following year	1.64	1.54
5 th Following year	1.74	1.65
Sum of years 6 to 10	18.77	16.64

Weighted average assumptions used to determine net periodic benefit cost

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Number of active members	358.00	380.00
Per month salary cost for active members	5.65	5.66
Average monthly salary	0.02	0.01
Average age (years)	38.63	37.20
Weighted average duration of the projected benefit obligation (years)	12.06 years	10.68 years
Average expected future service (years)	14.38 years	14.97 years
Prescribed contribution for next year (12 Months)	-	-

Compensated Absences -

Privilege Leave

Changes in present value of defined benefit obligation	For the year ended December 31, 2021	For the year ended December 31, 2020
Present value of defined benefit obligation at the beginning of the year	21.28	18.19
Current service cost	2.12	2.50
Interest cost	1.34	1.22
Actuarial loss / (Gain)		
a) Financial (Gain)/Loss on plan liabilities	(0.97)	1.20
b) Demographic (Gain)/Loss on plan liabilities	-	-
c) Experience (Gain)/Loss on plan liabilities	(2.49)	0.70
Past service cost	-	-
Benefits paid	(0.73)	(2.52)
Present value of defined benefit obligation at the end of the year	20.54	21.28

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Change in the fair value of plan assets	For the year ended December 31, 2021	For the year ended December 31, 2020
Fair Value of plan assets at the beginning of the period	17.89	17.10
Interest Income	1.15	1.22
Return on plan assets, excluding interest income	0.05	(0.05)
Contributions	2.00	0.50
Mortality charges and taxes	(0.05)	(0.04)
Benefit paid	(1.90)	(0.83)
Fair Value of plan assets at the end of the period	19.15	17.89

Analysis of defined benefit obligation	For the year ended December 31, 2021	For the year ended December 31, 2020
Present value of obligation as at the end of the year	20.54	21.28
Fair Value of Plan Assets at the end of the Period	19.15	17.89
Net (asset) / liability recognized in the Balance Sheet	1.39	3.39
Bifurcation of liability as per Schedule III		
Current Liability	1.39	3.39
Non-Current Liability	19.15	17.89
Net (asset) / liability recognized in the Balance Sheet	1.39	3.39

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	For the year ended December 31, 2021	For the year ended December 31, 2020
Current service cost	2.12	2.50
Net Interest Cost	0.19	(0.00)
Remeasurement Cost/ (Credit) for the year	(3.52)	1.95
Past Service Cost	-	-
Mortality charges and taxes	0.05	0.04
Expenses recognized in the Statement of Profit and Loss	(1.16)	4.49

Analysis of defined benefit obligation	For the year ended December 31, 2021	For the year ended December 31, 2020
Net asset / (liability) recognized in the Balance Sheet	(3.39)	(1.08)
Employee Benefit Expense	1.16	(4.49)
Benefits directly paid by the company	(1.16)	1.69
Contributions	2.00	0.50
Net asset / (liability) recognized in the Balance Sheet	(1.39)	(3.39)

Composition of the plan assets	For the year ended December 31, 2021	For the year ended December 31, 2020
Policy of insurance	100%	100%
Total	100%	100%

Actuarial Assumptions:	For the year ended December 31, 2021	For the year ended December 31, 2020
Discount rate	7.00%	6.40%
Salary Escalation	6.00%	6.00%

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Withdrawal rates per annum	For the year ended December 31, 2021	For the year ended December 31, 2020
- 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 December 31, 2021		For the year ended December 31, 2020	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	19.07	22.20	20.52	22.10
Future salary growth (0.5 % movement)	22.00	19.23	21.99	20.61
Attrition rate (0.5% movement)	21.00	20.02	21.59	20.96

Maturity profile of defined benefit plan

Projected benefits payable in future years from the date of reporting	For the year ended December 31, 2021	For the year ended December 31, 2020
1 st Following year	0.63	0.72
2 nd Following year	0.69	0.62
3 rd Following year	0.61	0.70
4 th Following year	0.61	0.60
5 th Following year	0.60	0.60
Sum of years 6 to 10	5.68	5.39

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Number of active members	358	380
Total Monthly leave encashment salary in Rupees	12.17	11.93
Total Monthly leave availment salary in Rupees	18.02	16.87
Average age (years)	38.63	37.20
Total Leave Balances in days		
Privilege Leave	16,463	17,084
Average past services in years	12.06	10.68

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

j Transactions with the Related Parties are given below:

1. List of related parties where control exists and relationships:

Holding Company

Enkei Corporation, Japan

Fellow Subsidiaries

(Only with whom the Company had transactions during the current year)

Enkei Audit & Computer Services Ltd.

Enkei Thai Co. Ltd.

Enkei Thai Mouldings Ltd.

Enkei Asia Pacific Co. Ltd.

PT Enkei Indonesia

Entities over which directors of the company are able to exercise significant influence

(Only with whom the Company had transactions during the current year)

Alicon Castalloy Ltd.

HU Consultancy Pvt. Ltd.

GSV Prasad & Co.

MRM & Associates

KMDS & Associates

Key Management Personnel (KMP)

Junichi Suzuki

Non-Executive Director

Shailendrajit Rai

Non-Executive Director

Haresh Shah

Non-Executive Independent Director

GSV Prasad

Non-Executive Independent Director

Shilpa Dixit (up to 31-05-2021)

Non-Executive Independent Director

Smita Patti (from 31-05-2021)

Non-Executive Independent Director

Kazuo Suzuki

Managing Director

Jitendra Parmar

Chief Financial Officer

Shrikant Joshi (till 22-11-2020)

Company Secretary

Jeevanjyoti Nayak (from 18-02-2021)

Company Secretary

Others

Enkei Wheels India Ltd. Employees group gratuity scheme

Post Employment Benefits

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forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

2. Transactions with related parties:

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Sale of Goods to:		
Holding Company, Enkei Corporation	0.42	-
	0.42	-
Purchase of stores & spares from:		
Holding Company, Enkei Corporation	14.39	3.92
Fellow Subsidiaries:		
Enkei Thai Mouldings Ltd.	4.09	0.01
Enkei Asia Pacific Co. Ltd.	1.35	0.28
Entities over which directors of the company are able to exercise significant influence:		
Alicon Castalloy Ltd.	20.16	9.38
	39.99	13.59
Purchase of property, plant & equipment from:		
Holding Company, Enkei Corporation	9.78	108.42
Fellow Subsidiaries:		
Enkei Asia Pacific Co. Ltd.	-	5.95
Enkei Thai Mouldings Ltd.	58.20	31.47
	67.98	145.84
Services received from:		
Holding Company, Enkei Corporation	-	2.89
Fellow Subsidiaries:		
Enkei Audit & Computer Services Ltd.	0.63	0.92
Enkei Asia Pacific Co. Ltd.	8.57	10.05
Enkei Thai Co. Ltd.	0.70	-
Entities over which directors of the company are able to exercise significant influence:		
Alicon Castalloy Ltd.	28.27	17.98
HU Consultancy Pvt. Ltd.	2.19	2.09
GSV Prasad & Co.	1.56	1.50
MRM & Associates	-	0.14
KMDS & Associates	0.24	0.42
	42.16	35.99
Salaries & other reimbursements paid to:		
Holding Company, Enkei Corporation	50.26	53.07
Fellow Subsidiaries:		
PT Enkei Indonesia	-	0.24
	50.26	53.31

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Reimbursements received from:		
Holding Company, Enkei Corporation	-	0.34
Fellow Subsidiaries:		
Enkei Thai Co. Ltd.	0.40	-
	0.40	0.34
Rent paid to:		
Entities over which directors of the company are able to exercise significant influence:		
Alicon Castalloy Ltd.	22.15	20.61
	22.15	20.61
Royalty expenses:		
Holding Company, Enkei Corporation	66.04	34.52
	66.04	34.52
Interest expenses:		
Holding Company, Enkei Corporation	5.65	4.99
	5.65	4.99
ECB Loan from:		
Holding Company, Enkei Corporation	289.96	443.51
	289.96	443.51
Issue of shares to:		
Holding Company, Enkei Corporation	-	368.47
	-	368.47

Note: Related Party Transactions are shown at gross amount including GST where applicable

* Salary of MD of ₹ 7.13 Million (previous year ₹ 6.9 million) is included as transaction with Holding Company, Enkei Corporation.

Balances with related parties at the end of the period

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Trade receivables:		
Holding Company, Enkei Corporation	0.01	-
Fellow Subsidiaries:		
Enkei Thai Co. Ltd.	0.39	-
	0.41	-
Capital Advances:		
Enkei Thai Mouldings Ltd.	1.25	-
	1.25	-
Other financial assets (current assets)		
Enkei Wheels India Ltd. Employees group gratuity scheme	-	2.35
	-	2.35

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Trade payables non-current:		
Enkei Thai Co. Ltd.	263.91	239.10
	263.91	239.10
Borrowings non-current:		
Holding Company, Enkei Corporation	717.68	476.04
	717.68	476.04
Gurantees received		
Holding Company, Enkei Corporation	1,124.86	1,321.93
	1,124.86	1,321.93
Investment in equity		
Joint Venture Company		
Nikkei CMR Aluminium India Pvt. Ltd.	31.50	-
	31.50	-
Trade payable:		
Holding Company, Enkei Corporation	33.78	43.33
Fellow Subsidiaries:		
Enkei Thai Co. Ltd.	0.15	-
Enkei Audit & Computer Services Ltd.	0.10	0.05
Enkei Asia Pacific Co. Ltd.	0.95	2.29
Enkei Thai Mouldings Ltd.	-	0.78
Entities over which directors of the company are able to exercise significant influence:		
Alicon Castalloy Ltd.	6.44	5.49
	41.43	51.95
	1,024.68	767.09

3. Key management personnel Compensation:

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Short-term employee benefits	20.41	19.92
Post-employment benefits	0.18	0.16
Sitting Fee	0.21	0.18
Total Compensation	20.80	20.25
Directors Sitting Fee:		
Junichi Suzuki	0.02	0.01
Shailendrajit Rai	0.03	0.03
Haresh Shah	0.06	0.06
GSV Prasad	0.07	0.06

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Particulars	For the year ended December 31, 2021	For the year ended December 31, 2020
Shilpa Dixit	0.01	0.03
Smita Patti	0.03	-
Salary		
Kazuo Suzuki	16.64	16.25
Jitendra Parmar	3.22	2.98
Shrikant Joshi	-	0.85
Jeevanjyoti Nayak	0.73	-
Total Compensation	20.80	20.25
Contribution to Post Retirement Benefit Plans:		
Others:		
Enkei Wheels India Ltd. Employees group gratuity scheme	1.00	1.00
	1.00	1.00

Note: As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above. The amount included above is the contribution made by company.

Segment information

- k 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 ₹ 4,504.9 Mln Previous Year ₹ 2,352.6 Mln and revenues attributed to all foreign countries amount to ₹ 0.42 Mln. Previous ₹ Nil. During the year four customers (previous year : four customer) of the Company contributed to more than 10% of the total Revenues amounting to ₹ 3,699.8 Mln Amt.- (1) ₹ 1,214.6 Mln Amt.- (2) ₹ 1,004.2 Mln Amt.- (3) ₹ 780.4 Mln Amt.- (4) ₹ 700.6 Mln respectively. (previous year ₹ 2,056.6 Mln) Amt.- (1) ₹ 653.7 Mln Amt.- (2) ₹ 506.1 Mln Amt.- (3) ₹ 454.1 Mln (4) ₹ 442.7 Mln respectively.

l Net debt reconciliation

Position of net debt

Particulars	As at December 31, 2021	As at December 31, 2020
Borrowings		
Non-current borrowings	1,109	1,292
Current borrowings	370	230
Current maturities of long term loans	352	268
	1,831	1,790
Less		
Cash & cash equivalents	327	298
Net debt	1,504	1,492

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Movement in net debt

Particulars	As at December 31, 2021	As at December 31, 2020
Opening net debt	1,491.75	1,110.24
Cash flows	145.44	260.37
Foreign exchange adjustment-loss /(gain)	(133.01)	121.14
Interest accrued but not due at the beginning of the year	(3.38)	3.63
Interest accrued but not due as at end of the year	2.15	(3.38)
Interest expense	20.29	81.39
Interest paid	(19.06)	(81.63)
Closing net debt	1,504.18	1,491.75

- m 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.
- n Figures of the previous year have been regrouped, reclassified & restated wherever necessary to correspond with the current year classification /disclosure.
- o **The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:**

Particulars	As at December 31, 2021	As at December 31, 2020
Profit before tax	174.78	(326.30)
Tax at the Indian Tax Rate	0.29	0.31
Expected tax expense	51.00	-
Total	51.00	-
Effect of change in tax rate	(1.38)	(4.35)
Adjustments recognised in the current year in relation to the current tax of prior years	-	-
Adjustments recognised in the current year in relation to unabsorbed losses	(37.27)	-
Effect of Disallowances/ (Allowances)	7.99	-
Effect of reversible disallowances/ (Allowances)	(8.22)	(8.36)
Total tax expense	12.12	(12.72)

p Financial Instruments

i) Financial Instruments by category

The carrying value of financial instruments by categories as on December 31, 2021 are as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Trade receivables	703.08	-	-	703.08
Cash and cash equivalents	326.57	-	-	326.57

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Other financial assets	42.70	-	-	42.70
Investments	-	-	28.73	28.73
Total Assets	1,072.36	-	28.73	1,101.08
Liabilities				
Borrowings	1,478.80	-	-	1,478.80
Trade payables	633.16	-	-	633.16
Other Financial liabilities	65.48	3.67	4.41	73.56
Lease liabilities	35.52	-	-	35.52
Total Liabilities	2,212.96	3.67	4.41	2,221.03

The carrying value of financial instruments by categories as on December 31, 2020 are as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Trade receivables	285.96	-	-	285.96
Cash and cash equivalents	298.14	-	-	298.14
Other financial assets	23.71	-	-	23.71
Total Assets	607.80	-	-	607.80
Liabilities				
Borrowings	1,521.65	-	-	1,521.65
Trade payables	582.24	-	-	582.24
Other Financial liabilities	415.87	1.65	11.09	428.61
Lease liabilities	50.94	-	-	50.94
Total Liabilities	2,570.70	1.65	11.09	2,583.44

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, 2021:

Particulars	As at December 31, 2021	Fair value measurement as at December 31, 2021		
		Level 1	Level 2	Level 3
Financial Assets- Equity Instrument measured at FVTOCI	-	-	-	28.73
Derivative financial liability	8.08	-	8.08	-

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on December 31, 2020 :

Particulars	As at December 31, 2020	Fair value measurement as at December 31, 2020		
		Level 1	Level 2	Level 3
Financial Assets- Equity Instrument measured at FVTOCI	-	-	-	-
Derivative financial liability	12.74	-	12.74	-

Fair valuation report dated November 10, 2021 (being date of purchase of shares) has been considered for valuing equity instruments at fair value, considering that the investee is a newly incorporated entity, and no significant change in fair valuation is expected between date of purchase and reporting date.

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.

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.

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

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. Anyhow, almost all its customer base are OEMs and the Company does not have make follow ups for the collections.

Trade receivables that were not impaired

Particulars	Carrying amount (Rupees)	
	As at December 31, 2021	As at December 31, 2020
Not due as at balance sheet date	666.59	248.18
Less than six months old from due date	36.31	37.77
More than 180 days from due date	0.18	-
Total	703.08	285.96

Movement in allowance for credit impairment

Particulars	Amount
As at December 31, 2019	-
Provided during the year	-
Amount written off during the year	-
As at December 31, 2020	-
Provided during the year	-
Amount written off during the year	-
As at December 31, 2021	-

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 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.

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

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.

The liquidity position at each reporting date is given below:

Particulars	As at	As at
	December 31, 2021	December 31, 2020
Cash and cash equivalents	326.57	298.14
Other balances with banks	-	-
Total	326.57	298.14

The following are the remaining contractual maturities of financial liabilities as on December 31, 2021.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings - non-current	-	351.96	1,108.80	1,460.76
Borrowings - current	370.00	-	-	370.00
Trade payables - non-current	-	-	263.91	263.91
Trade payables - current	-	369.25	-	369.25
Other financial liabilities	-	563.02	-	563.02
Lease Liabilities	-	25.91	9.60	35.52

The following are the remaining contractual maturities of financial liabilities as on December 31, 2020.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings - non-current	-	268.25	1,291.64	1,559.89
Borrowings - current	230.00	-	-	230.00
Trade payables -non-current	-	-	239.10	239.10
Trade payables -current	-	343.14	-	343.14
Other financial liabilities	-	428.61	-	428.61
Lease Liabilities	-	21.36	29.58	50.94

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.

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

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 (INR) 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 36 (d) of the financial statements. The same is reproduced here.

Particulars	Currency	As at December 31, 2021		As at December 31, 2020	
		Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees
External Commercial Borrowings	JPY	2,263.33	1,460.76	2,202.00	1,559.90
Payable towards Property, Plant and Equipment	JPY	1.81	1.17	-	-
	EUR	0.04	3.40	0.04	3.48
	USD			0.01	0.78
Trade Payables	USD	3.50	260.42	4.89	357.20
	JPY	22.52	14.53	17.38	12.31
Total Liabilities			1,740.29		1,933.66
Less : Trade Receivables and others	JPY	-	-	-	-
Net liabilities / (assets)		-	1,740.29	-	1,933.66

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, 2021	USD	+5%	(13.02)	(13.02)
		-5%	13.02	13.02
	EUR	+5%	(0.17)	(0.17)
		-5%	0.17	0.17
	JPY	+5%	(73.82)	(73.82)
		-5%	73.82	73.82
For the year ended December 31, 2020	USD	+5%	(17.86)	(17.86)
		-5%	17.86	17.86
	EUR	+5%	(0.17)	(0.17)
		-5%	0.17	0.17
	JPY	+5%	(78.61)	(78.61)
		-5%	78.61	78.61

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

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, 2021	As at December 31, 2020
Fixed rate instruments		
Borrowings	-	-
Fixed rate instruments		
Foreign Currency Loan -External Commercial Borrowings	1,460.76	1,559.89
Variable rate instruments		
Working Capital Demand Loans	370.00	230.00

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:

Particulars	As at December 31, 2021	As at December 31, 2020
Impact on profit before tax		
Increase by 50 basis points	(8.00)	(8.00)
Decrease by 50 basis points	8.00	8.00

Interest rate sensitivity on variable rate instruments

Particulars	As at December 31, 2021	As at December 31, 2020
Impact on profit before tax		-
Increase by 50 basis points (0.5%)	(2.00)	(2.00)
Decrease by 50 basis points (0.5%)	2.00	2.00

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 and infusion of funds from shareholders by the preferential allotments.

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

No changes were made in the objectives, policies or processes for managing capital during the year ended December 31 2021 and December 31 2020.

q. 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 9%

Following are the changes in the carrying value of right of use assets for the year ended December 31, 2021:

Particulars	As at December 31, 2021	As at December 31, 2020
Balance at the beginning	45.08	100.98
Additions	7.83	10.16
Deletions	0.89	33.33
Depreciation	22.01	32.73
Balance at the end	30.01	45.08

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, 2021

Particulars	As at December 31, 2021	As at December 31, 2020
Current lease liabilities	25.91	21.36
Non-current lease liabilities	9.60	29.58
Total	35.52	50.94

The following is the movement in lease liabilities during the period ended December 31, 2021:

Particulars	As at December 31, 2021	As at December 31, 2020
Balance at the beginning	50.94	80.44
Additions	7.83	10.16
Finance cost accrued during the period	3.97	6.12
Deletions	0.92	11.98
Payment of lease liabilities	26.30	33.79
Balance at the end	35.52	50.94

NOTES

forming part of the financial statements

(All amounts in ₹ million, unless otherwise stated)

Note 36. Additional information to the financial statements (contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at December 31, 2021 on an undiscounted basis:

Particulars	As at December 31, 2021	As at December 31, 2020
Less than one year	28.01	28.45
One to five years	9.96	31.12
More than five years	-	-
Total	37.97	59.57

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	As at December 31, 2021	As at December 31, 2020
Depreciation charge of right-of use assets		-
Buildings	20.10	32.03
Plant and Equipments	1.91	3.27
Total	22.01	35.30

Particulars	As at December 31, 2021	As at December 31, 2020
Interest expense on lease liabilities (Included in finance cost)	3.97	6.12
Expense relating to short term and low value leases (Included in other Expense)	19.51	10.65
Loss/(Gain) on cancellation of leases (Included in other Income)	(0.04)	(0.21)
Total	23.44	16.55

The accompanying notes form part of these financial statements

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

Chartered Accountants
Firm Registration No. 105215W/W100057

Suhrud Lele
Partner
Membership No. : 121162

Place: Pune
Date: February 15, 2022

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

Kazuo Suzuki
(Managing Director)
(DIN : 08350372)

Jitendra Parmar
(Chief Financial Officer)

Haresh Shah
(Director)
(DIN : 00228471)

Jeevanjyoti Nayak
(Company Secretary)

Place: Pune
Date: February 15, 2022



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 'THIRTEENTH ANNUAL GENERAL MEETING' of the Company to be held on Thursday, 16th June, 2022 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 Thirteenth Annual General Meeting of the Company scheduled to be held on Thursday, 16th June, 2022 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 31st December, 2021 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- Continuation of directorship of Mr. Junichi Suzuki (DIN: 02628162)

ITEM NO. 4- Fixation of Remuneration of Mr. Haresh Babul Shah, (DIN: 00228471), Independent Director of the Company.

ITEM NO. 5- Fixation of Remuneration of Mr. GSV Prasad, (DIN: 05344245), Independent Director of the Company.



ITEM NO. 6- Fixation of Remuneration of Ms. Smita Subhash Patti, (DIN: 09150264), Independent (Woman) Director of the Company.

ITEM NO. 7- Approval for transaction with Related Party.

Signed this Day of 2022, Folio No. / DP ID/ Client ID

Signature of Shareholder.....

Signature of Proxy Holder.....

Affix ₹1
Revenue
Stamp

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 13th Annual General Meeting.



Ballot Form
(In lieu of E-voting)

Registered Folio Number / DP ID No. / Client ID No.....

Name(s) & Registered Address.....

Name(s) of the Joint holder(s), if any Number of Ordinary Share(s) held.....

I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Thirteenth Annual General Meeting (AGM) of the Company to be held on Thursday, 16th June, 2022 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 31 st December, 2021 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.	Continuation of directorship of Mr. Junichi Suzuki (DIN: 02628162)			
4.	Fixation of Remuneration of Mr. Haresh Babulal Shah, (DIN: 00228471), Independent Director of the Company.			
5.	Fixation of remuneration of Mr. GSV Prasad, (DIN: 05344245), Independent Director of the Company.			
6.	Fixation of Remuneration of Ms. Smita Subhash Patti, (DIN: 09150264), Independent(Woman) Director of the Company.			
7.	Approval for transaction with Related Party.			

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 15th June, 2022 shall only be considered.

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Shailesh Indapurkar, Practising Company Secretary, Unit: Enkei Wheels (India) Limited. C/o. Universal Capital Securities Pvt. Ltd., 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 15th June, 2022. 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., Universal Capital Securities 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 :

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Taluka Shirur, Dist. Pune - 412 208.

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Email : secretarial@enkei.in

Website : www.enkei.in