

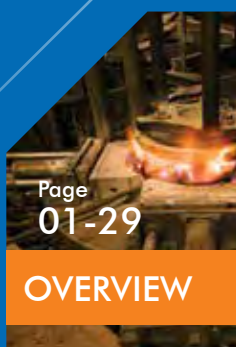


**FUTURE
READY**

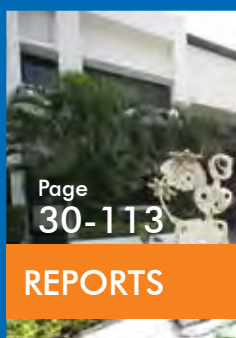
Annual Report
2016-17

ENDURANCE TECHNOLOGIES LIMITED

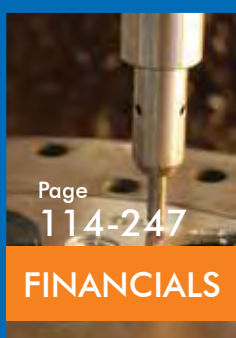
Contents



Corporate Information	01
Group Structure	02
Future Ready	03
At a Glance	04
The Big Print.....	07
Our Product Portfolio	08
Key Milestones	10
Our Report Card	12
Message from the Managing Director	14
The Core Ideology.....	17



Management Discussion and Analysis	30
Board's Report	48
Corporate Governance Report.....	90



Standalone Financial Statements.....	114
Consolidated Financial Statements.....	178

Corporate Information

Board of Directors

Naresh Chandra
Chairman

Anurag Jain
Managing Director

Partho Datta

Soumendra Basu

Roberto Testore

Ramesh Gehaney

Satrajit Ray

Anjali Seth

Falguni Nayar

Massimo Venuti

Audit Committee

Partho Datta

Soumendra Basu

Anjali Seth

Nomination And Remuneration Committee

Soumendra Basu

Partho Datta

Anjali Seth

Corporate Social Responsibility Committee

Anurag Jain

Soumendra Basu

Ramesh Gehaney

Stakeholders' Relationship Committee

Anjali Seth

Anurag Jain

Satrajit Ray

Subsidiary Companies

Endurance Overseas Srl, Italy

Endurance Fondalmec SpA, Italy

Endurance FOA SpA, Italy

Endurance Engineering Srl, Italy

Endurance Amann GmbH, Germany

Management Team

Ramesh Gehaney
Director and Chief Operating Officer

Satrajit Ray
Director and Group Chief Financial Officer

Makarand Deshpande
Chief People Officer

Ravindra Kharul
Chief Technology Officer

Sunil Kolhe
Chief Sourcing Officer

Biswajit Choudhury
President - Aftermarket and Exports

Company Secretary

Sunil Lalai
Company Secretary and Vice President - Legal

Auditors

Deloitte Haskins & Sells LLP
Chartered Accountants

Secretarial Auditor

Sachin Bhagwat
Practicing Company Secretary

Bankers

Citibank N. A.

Corporation Bank

ICICI Bank Ltd.

IDBI Bank Ltd.

Standard Chartered Bank

Registrar and Transfer Agent

Link Intime India Private Limited

C 101, 247 Park, L.B.S Marg,
Vikhroli West, Mumbai – 400 083

Tel. No: +91 22 49186270

Fax: +91 22 49186060

E-mail id: rnt.helpdesk@linkintime.co.in

Website: www.linkintime.co.in

Registered Office

Plot no. K-228, MIDC Industrial Area,
Waluj, Aurangabad - 431 136

CIN: L34102MH1999PLC123296

Email: corporate@endurance.co.in

Email for investors: [investors@](mailto:investors@endurance.co.in)
[endurance.co.in](mailto:investors@endurance.co.in)

Plants

Aurangabad (Maharashtra)

Plot nos. B-2, E-92 & 93, K-120,
K-226/1 & 227, K-226/2, K-228 &
229, and L-6/3, MIDC Industrial Area,
Waluj, Aurangabad - 431 136

Plot no. L-20, MIDC Industrial Area,
Vitawa Village, Gangapur, Tal.
Aurangabad - 431 109

Pune (Maharashtra)

Plot nos. B-1/2 & 1/3, B-20, B-22 and
A-12, MIDC Industrial Area, Chakan,
Village Nighoje, Taluka Khed,
Dist. Pune - 410 501

Gat no. 416, Village Takve, Budruk,
Taluka Vadgaon Maval,
Pune - 412 106

Manesar (Haryana)

Plot no. 400, Sector 8, IMT, Manesar,
Dist. Gurugram - 122 050

Pantnagar (Uttarakhand)

Plot nos. 3 and 7, Sector 10,
I.I.E. Pantnagar,
Dist. U.S Nagar - 263 153

Chennai (Tamil Nadu)

Plot no. F-82, SIPCOT Industrial Park,
Irungattakottai, Penna Post,
Sriperumbudur Taluk, Kanchipuram
Dist. Chennai - 602 105

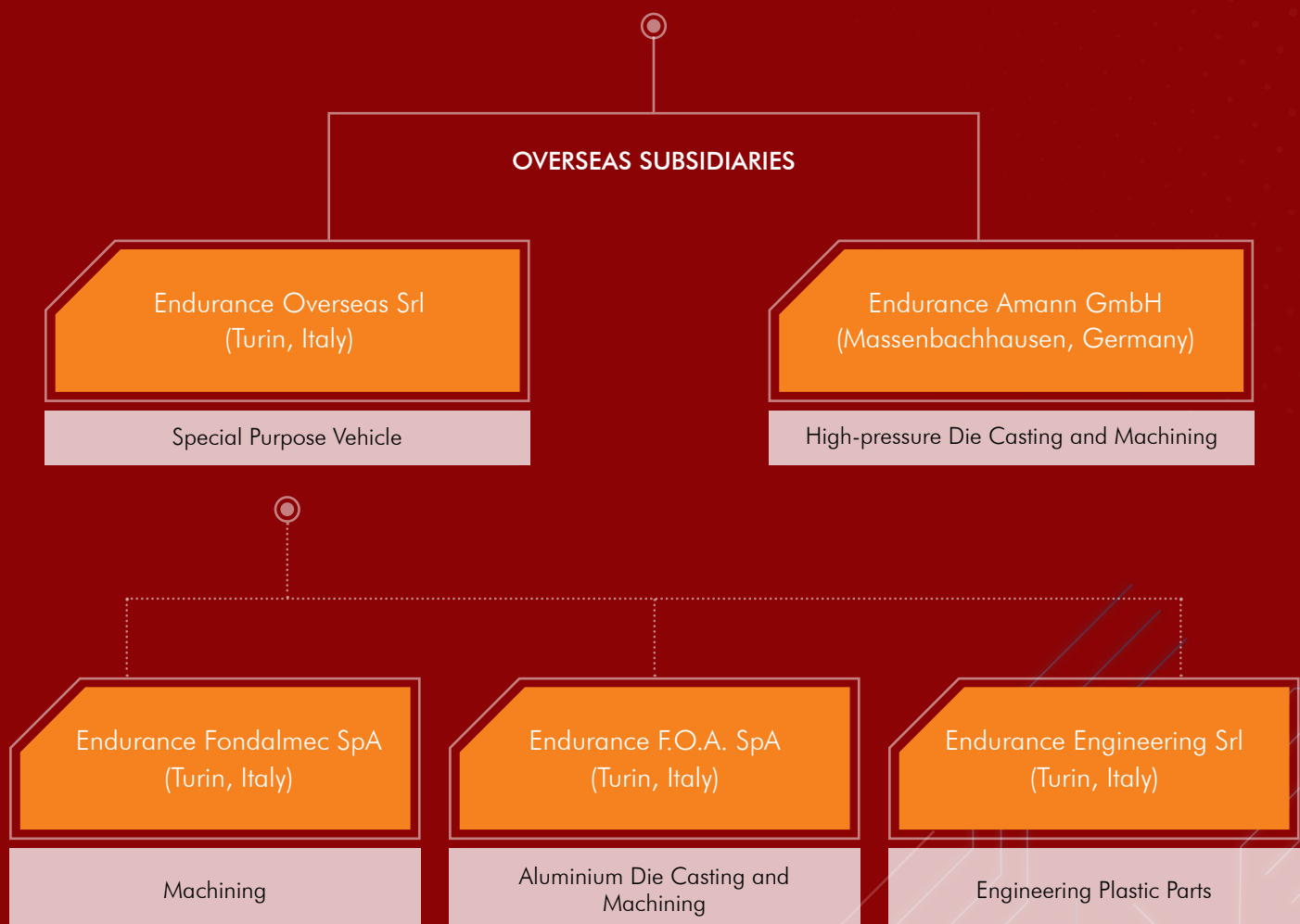
Sanand (Gujarat)

Plot nos. E4 and E21, GIDC, Phase 2,
Industrial Estate, Sanand,
Ahmedabad - 382 110

Group Structure

ENDURANCE TECHNOLOGIES LIMITED

Aluminium Die Casting & Machining | Suspension | Transmission | Braking Systems



FUTURE READY

Endurance Technologies is one of the leading automotive component manufacturers in India, with a truly diversified revenue base, both in terms of product lines and customer diversity. We're also part of an elite group within the industry that has consistently been delivering attractive returns on capital employed (ROCE). Our stable and long-term relationships with leading original equipment manufacturers (OEMs) have helped us garner an appreciable market share in the Indian two and three wheeler segments. We also have a growing business in Europe that is successfully catering to the high-value, more complex four-wheeler segment.

Furthermore, our uncompromising priority for having a prolific research and development programme ensures that we are in-synch with advanced technologies and deliver state-of-the-art products. Always at the cutting edge, aided by our strong R&D approach, we remain a preferred and dependable partner to our OEMs globally. We are regarded by our customers as a close partner in developing high performance products with shorter development lead time, keeping in mind the evolving regulatory requirements. Our ability to provide end-to-end solutions

from a continuously widening portfolio of innovative proprietary products, enables us to keep growing our wallet share with our OEM customers.

The steady increase in purchasing power and availability of low cost financing options have helped in driving the demand for two wheelers. Also an unabated appetite for scooters from students and women in general, bode well for the future demand for our products. Piloted by a strong management with unyielding financial discipline, we are working vigorously to continuously enhance our operational efficiencies and protect our bottom line as we scale our top line.

*We believe the **FUTURE** is bright. We know we are **READY** for it.*



At a Glance

Endurance Technologies is a multidisciplinary solution provider of advanced automotive components, including proprietary products, to leading OEMs across India and Europe.

Endurance Technologies Limited is one of India's **leading automotive component manufacturing company** for its product portfolio.

The Company began manufacturing aluminium castings in Aurangabad, Maharashtra, India in 1985 under the aegis of Anurang Engineering Company Pvt. Ltd. (AECPL) – the first company in the Endurance Group. In 2006, AECPL merged with Endurance Technologies. Over the years, the corporate structure of the Group has undergone changes. At present, it has only one company in India that is Endurance Technologies Limited.

Over time, Endurance has grown organically in India, by deftly diversifying into two and three wheeler suspension, transmission and braking systems products, collectively called the 'Proprietary Business', and aftermarket. At the same time, the Company has successfully grown inorganically through various strategic acquisitions in Europe. Endurance, under its umbrella, has four subsidiaries in Italy - Endurance Overseas Srl, Endurance Fondalmec SpA, Endurance FOA SpA and Endurance Engineering Srl, and a subsidiary in Germany, Endurance Amann GmbH.

Manufacturing Units —●

Starting with one plant having two aluminium casting machines in FY1986, the Endurance Group has grown to operate 18 plants in India, and 8 plants in Europe. These plants are strategically located in close proximity to their respective OEM customers in the auto hubs of India and Europe. Operating under strict standards, 15 of its plants in India are ISO/TS 16949:2009 certified. According to the Aluminium Casters' Association of India, Endurance Technologies is the largest aluminium die casting manufacturer in India.

Product Range —●

Endurance is a complete solutions provider of diverse products to a large number of OEMs. The Company provides end-to-end services by engaging with its customers from conception to end-user delivery. Its development process includes: design, development, validation, testing, manufacturing and delivery. Endurance uses this process to develop a wide range of value added auto component products, leading to a more satisfied and diversified customer base. It is an innovation oriented company, with strong focus on research and development. This allows the Company to develop the latest products suited to evolving requirements of its customers.



At a Glance (contd.)

The **Company's portfolio** of products and services **in India** includes:



Raw and machined aluminium castings such as high pressure die castings, low pressure die castings, gravity die castings and aluminium alloy wheels for motorcycles.



Suspension products such as shock absorbers for scooters, motorcycles, and three-wheelers; front forks for motorcycles and scooters; and hydraulic dampers for quadricycles. The technology offerings also include upside down front forks exclusively for premium motorcycles.



Transmission products such as clutch assemblies, cork and paper based friction plates for motorcycles and three wheelers, and Continuous Variable Transmission (CVT) assemblies for scooters.



Braking systems such as hydraulic disc brake assemblies, including calipers, master cylinders, rotary disc brakes for motorcycles and scooters, hydraulic drum brake assemblies, and tandem master cylinders for three wheelers.



Aftermarket services to cater to the replacement market for proprietary products.

In Europe, Endurance predominantly caters to four-wheeler OEMs, focusing on engine, transmission and suspension/ body components. The products include raw and machined aluminium castings (high pressure die casting), steel, cast iron products, and engineering plastic parts.

#1

Aluminium die-casting company in India

5

Patents granted

4

In-house R&D Centres

Top 2

In each product segment for two and three wheelers

5

Designs Registered

26

Manufacturing Units Globally

Tier 1

Supplier to OEMs

4

Technical Collaborations

The Big Print

Given the strong credentials across its four key product segments, Endurance Technologies is a valued one-stop shop for OEMs. Today, the Company is a leading two wheeler auto component manufacturer in India, enjoying efficiency benefits that come from large economies of scale.

21.1%

Return on capital employed,
FY2016-17

ENHANCING
CAPITAL
EFFICIENCY

19.9%

Return on capital employed,
FY2012-13

69.3%

Proportion of domestic
business, FY2016-17

WIDENING
REACH

77.4%

Proportion of domestic
business, FY2012-13

14%

EBIDTA Margin, FY2016-17

SUPERIOR
MARGINS

13.3%

EBIDTA Margin, FY2012-13

0.26:1

Net Debt:Equity, FY2016-17

ENHANCED
FINANCIAL
STABILITY

1.14:1

Net Debt:Equity, FY2012-13

Note: Figures for FY2012-13 are as per erstwhile IGAAP and all the above mentioned figures are based on Consolidated Financial Statements.

OUR PRODUCT PORTFOLIO

ALUMINIUM DIE CASTING



Gear Box Housing



Main Casing



Swing Arm



Alloy Wheel



Oil Pan



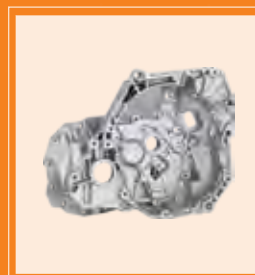
Clutch Housing



Cam Carrier



Gear Box Housing



Clutch Housing

TRANSMISSION



Multiplate wet Clutch



Friction Plates



CVT Assembly