



# **Numbers do not lie**

**ENKEI WHEELS (INDIA) LIMITED**

An ISO/TS 16949 ISO14001 OHSAS 18001:2007 Company

#### **BOARD OF DIRECTORS:**

Mr. Masakatsu Uchiyama	Managing Director
Mr. Junichi Suzuki	Non-Executive Director
Dr. Haresh Shah	Independent & Non-Executive Director
Mr. Shailendrajit Rai	Non-Executive Director
Mr. Satyavara Prasad Garimella	Independent & Non-Executive Director
Mr. Kazuhiko Shimamura (upto 14th August 2014)	Alternate Director to Mr. Junichi Suzuki
Ms. Shilpa Dixit (w. e. f. 14th August 2014)	Independent & Non-Executive Director

#### **CHIEF FINANCIAL OFFICER :**

Mr. Jitendra Parmar

#### **COMPANY SECRETARY:**

Mr. Omkar Kaulgud

#### **BANKERS:**

Bank of Tokyo Mitsubishi UFJ Ltd	- Mumbai
Mizuho Bank Ltd	- Mumbai
Sumitomo Mitsui Banking Corporation	- Delhi
Axis Bank Ltd	- Pune
Kotak Mahindra Bank Ltd	- Pune
State Bank of India	- Pune
ICICI Bank Ltd.	- Pune

#### **AUDITORS:**

Asit Mehta & Associates  
Chartered Accountants, Mumbai

#### **COST AUDITORS:**

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

#### **REGISTERED OFFICE & WORKS:**

Enkei Wheels (India) Limited,  
CIN : L34300PN2009PLC133702  
Gat no. 1425, Village Shikrapur,  
Taluka Shirur, Dist. Pune - 412208.  
Tel: (02137) 618700 , Fax: (02137) 618720  
Email: secretarial@enkei.in  
Website : www.enkei.in

#### **REGISTRAR & SHARE TRANSFER AGENTS:**

Universal Capital Securities Pvt. Ltd.  
21, Shakil Niwas, Mahakali Caves Road,  
Andheri, (East), Mumbai 400093.  
Tel: 022-28207203-05/ 28257641  
Email: info@unisec.in

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# PRODUCT PROFILE

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## PASSENGER CAR WHEELS



## MOTORCYCLE WHEELS





## MESSAGE FROM MD's DESK

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

### Dear Shareholders,

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

#### Performance

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

#### External Controllers

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

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

#### Internal Controllers

Internally, we adopted the following types of measures:

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



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

#### Backed by these, we could :

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

#### Enkei Parent support & Policy

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

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

#### Looking Ahead

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

#### Challenges

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

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

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

**Masakatsu Uchiyama**  
**Managing Director**

**Date: July 28, 2015**

Dear Member,

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

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

Very truly yours,

For **Enkei Wheels (India) Limited**

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

Encl: Notice

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**NOTICE**


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**NOTICE IS HEREBY GIVEN THAT THE SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ENKEI WHEELS (INDIA) LIMITED WILL BE HELD ON SATURDAY THE 19<sup>TH</sup> DAY OF SEPTEMBER 2015 AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT GAT NO. 1425, VILLAGE SHIKRAPUR, TALUKA SHIRUR, PUNE-412208 TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

**ITEM NO. 1** - To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2015 and the Reports of the Board of Directors and Auditors thereon.

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

**ITEM NO. 3** - Ratification of Appointment of Statutory Auditors.

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

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s Asit Mehta & Associates, Chartered Accountants (Firm's Registration No. 100733W), as Auditors of the Company for the term of five years i.e. till the conclusion of the Tenth Annual General Meeting (AGM), to be held in calendar year 2019 subject to ratification at every AGM, be and is hereby ratified to hold office till the conclusion of seventh AGM of the Company to be held in calendar year 2016 at such remuneration plus service tax, out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

**For & On Behalf of the Board of Directors**

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

**Place : Pune**

**Date : July 28, 2015**

**NOTES:**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY IN NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.THE BLANK PROXY FORM IS ENCLOSED.
- 2) Corporate Members intending to send their authorised representative to attend the Annual General Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
- 3) The Registrar of Members and Share Transfer Books of the Company will be closed from 14th September 2015 to 19th September 2015 (both days inclusive).
- 4) Details pursuant to clause 49 of the Listing agreement with the stock exchanges in respect of directors seeking appointment/re-appointment at Annual General Meeting forms part of Corporate Governance Report.
- 5) Members desiring any information as regards accounts or operations of the Company are requested to send their queries in writing at least seven days in advance of the date of the meeting so as to enable the management to keep the information ready.

- 6) Members/ proxies should being their attendance slip duly filled in for attending the meeting along with copy of the notice. Corporate shareholders intending to send their authorised representative to attend the meeting are requested to send a certified copy of Board Resolution authorising their representatives to attend and vote on their behalf in the meeting.
- 7) The Company is pleased to offer E-Voting facility for its Members to enable them to cast their votes electronically with the help of Central Depository Services (India) Limited (CDSL). For conducting this e-voting activity in a fair and transparent manner, the Board of Directors has appointed M/s. Shailesh Indapurkar & Associates, Practicing Company Secretaries Pune as Scrutinizers.

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

- (i) The voting period begins on 16th September at IST 9.00 a.m. and ends on 18th September at 5.00 pm During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 12th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the Sequence number which is mentioned in address Label affixed on Annual Report, in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

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- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- i. In case of Members receiving the physical copy:**
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Wednesday 16th September 2015 and ends on Friday 18th September 2015 at
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5.00 p.m. During this period, shareholders' of the Company, holding shares as on Saturday 12th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at '[www.evotingindia.co.in](http://www.evotingindia.co.in)' under help section or write an email to '[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)'.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

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

In terms of Clause 35B of the Listing Agreement members may fill in the Ballot Form which is the part of this annual report and submit the same in a sealed envelope to the Scrutinizer, Mr. Shailesh Indapurkar, Practising Company Secretary, Unit: Enkei Wheels (India) Limited. C/o. Universal Capital Securities Pvt. Ltd., 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093, so as to reach by IST 5.00 p.m. of 18th September, 2015. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final. The ballot form is also available on the website of the Company at [www.enkei.in](http://www.enkei.in)

**In the event member casts his votes through both the processes i.e. E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the physical ballot form would be ignored.**

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

**DIRECTORS' REPORT**

To,

The Members,

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

**Financial Highlights:**

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

(₹ In Million)

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

**(A) REVIEW OF OPERATIONS:**

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

**Turnover**

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

**CAPITAL**

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

**EXTERNAL COMMERCIAL BORROWINGS (ECB)**

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