

WHEELS INDIA LIMITED



64th ANNUAL REPORT 2022-2023



WHEELS INDIA LIMITED

Registered Office: No.21, Patullos Road, Chennai - 600 002

Website Address : www.wheelsindia.com

CIN : L35921TN1960PLC004175

64TH ANNUAL REPORT

PLANT LOCATIONS

- M.T.H ROAD, PADI, CHENNAI – 600 050
- NO.22 KM RAMPUR TANDA ROAD, POST - TANDA BADLI, DISTRICT - RAMPUR, UTTAR PRADESH – 244 925
- PLOT NO. C-1, MIDC, RANJANGAON GANPATI, KAREGAON VILLAGE, SHIRUR TALUK, PUNE DISTRICT, MAHARASHTRA – 412 220
- SINGAPERUMAL KOIL ROAD, PONDUR VILLAGE, SRIPERUMBUDUR, KANCHEEPURAM DIST. – 602 105
- PLOT NO-56, SECTOR-11, I.I.E., PANTNAGAR, RUDRAPUR, UDHAM SINGH NAGAR, UTTARAKHAND – 263 153
- SURVEY NO. 13/2 & 13/3, ARAKONAM ROAD, NAMACHIVAYAPURAM, THODUKADU VILLAGE & POST, TIRUVALLUR TALUK, TAMIL NADU – 602 105
- SURVEY NO. 281, PLOT NO. K-18/2, SIPCOT INDUSTRIAL PARK, PHASE - 2, MAMBAKKAM VILLAGE, SRIPERUMBUDUR, TAMIL NADU – 602 105
- SURVEY NO. 147/2B & 147/3, GST ROAD, PUKKATHURAI VILLAGE, MADURANTHAGAM TALUK, KANCHEEPURAM DISTRICT, TAMIL NADU - 603 308
- A-6/2, PART C2, C3, C5 & C6, SIPCOT INDUSTRIAL PARK, THERVOYKANDIGAI, GUMMIDIPOONDI TALUK, TIRUVALLUR - 601 202
- NO.102, SUMANTHERABEDU VILLAGE, IRUNGATTUKOTAI, TAMIL NADU - 602 117
- PLOT NO. A4/1A PT1, A4/1B, SIPCOT INDUSTRIAL PARK, THERVOYKANDIGAI, GUMMIDIPOONDI TALUK, TIRUVALLUR - 601 202

BANKERS

- STATE BANK OF INDIA
- STANDARD CHARTERED BANK
- HDFC BANK LIMITED
- PUNJAB NATIONAL BANK
- AXIS BANK LIMITED
- KOTAK MAHINDRA BANK
- THE FEDERAL BANK LIMITED

STATUTORY AUDITOR

- M/s. BRAHMAYYA & CO.,
CHARTERED ACCOUNTANTS, CHENNAI

STOCK EXCHANGE LISTING

- NATIONAL STOCK EXCHANGE OF INDIA LIMITED
MUMBAI

BOARD OF DIRECTORS

S RAM	Chairman
S VIJI	
SRIVATS RAM	Managing Director
S PRASAD	
AROON RAMAN	
R RAGHUTTAMA RAO	
SUMITHRA GOMATAM	
RISHIKESHA T KRISHNAN	

AUDIT COMMITTEE

S PRASAD	Chairman
S VIJI	
AROON RAMAN	
R RAGHUTTAMA RAO	

STAKEHOLDERS RELATIONSHIP COMMITTEE

S VIJI	Chairman
S RAM	
S PRASAD	

NOMINATION & REMUNERATION COMMITTEE

AROON RAMAN	Chairman
S PRASAD	
R RAGHUTTAMA RAO	

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

SRIVATS RAM	Chairman
S VIJI	
S PRASAD	
AROON RAMAN	

RISK MANAGEMENT COMMITTEE

R RAGHUTTAMA RAO	Chairman
SRIVATS RAM	
S PRASAD	
SUMITHRA GOMATAM	
SHRIRAM VIJAYARAGHAVAN	

CHIEF FINANCIAL OFFICER

R RAGHUNATHAN	(Upto May 24, 2022)
P RAMESH	(From November 01, 2022)

COMPANY SECRETARY

K V LAKSHMI

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Financial Summary - Last Ten Years

Rs. in Crores

Particulars	31.03.23	31.03.22	31.03.21	31.03.20	31.03.19	31.03.18	31.03.17*	31.03.16	31.03.15	31.03.14
Operating Results										
Total Revenue	4355.56	3701.07	2,215.94	2,438.72	3,188.84	2,469.51	2,176.06	1,989.10	1,982.54	1,825.16
Earnings before Interest Depreciation and Tax	243.84	264.63	143.03	176.33	240.63	200.55	188.91	174.36	152.75	149.55
Depreciation	66.22	95.02	80.63	70.20	70.21	67.05	63.92	60.45	54.14	55.34
Earnings before Finance costs and Tax	177.62	169.61	62.40	106.13	170.42	133.50	124.99	113.91	98.61	94.21
Finance costs	92.10	63.10	52.68	61.53	62.00	44.54	48.16	57.58	59.07	55.35
Profit before tax before exceptional item	85.52	106.51	9.72	44.60	108.42	88.96	76.83	56.33	39.54	38.86
Exceptional Item	-	-	-	-	-	12.49	-	-	-	-
Profit before tax	85.52	106.51	9.72	44.60	108.42	101.45	76.83	56.33	39.54	38.86
Financial Position										
Equity Share capital	24.06	24.06	24.06	24.06	24.06	12.03	12.03	12.03	12.03	12.03
Reserves and Surplus	689.48	651.05	575.26	573.41	544.55	503.32	449.69	396.13	369.03	351.55
Shareholders' equity	713.54	675.11	599.32	597.47	568.61	515.35	461.72	408.16	381.06	363.58
Borrowings	721.55	811.06	609.18	574.80	452.88	358.57	369.07	386.13	389.23	331.66
Gross block (includes Capital Work-in-Progress)	1895.36	1748.61	1645.99	1526.36	1320.35	1144.67	1186.12	1123.22	1054.67	989.07
Net block (includes Capital Work-in-Progress)	942.48	857.67	825.24	781.57	642.12	527.11	548.27	535.15	522.04	512.89
Dividend - Amount	16.77	19.97	2.41	13.60	19.25	18.05	15.64	10.83	9.03	9.01
Per equity Share (Rs.)										
Dividend Per Share**	6.97	8.30	1.00	5.65	8.00	15.00	13.00	9.00	7.50	8.20
Book Value Per Share**	296.51	280.54	249.05	248.28	236.29	428.31	383.73	339.22	316.70	302.17
Earnings Per Share**	27.08	33.16	2.80	22.49	31.45	29.82	48.51	33.23	24.72	27.06

* As per new Accounting Standards (Ind AS) applicable from the year ended 31.03.2017

** Company issued 1:1 Bonus shares on 13.08.2018

Notice to the Shareholders

NOTICE is hereby given that the **Sixty Fourth Annual General Meeting** of the shareholders of the Company (64th AGM) will be held on **Wednesday, the July 19, 2023 at 10:15 A.M.** (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. **To adopt the Audited Financial Statement for the financial year ended March 31, 2023 along with the Report of the Board of Directors and Auditor's thereon**

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

"RESOLVED THAT the Audited Financial Statements, including the Consolidated Financial Statements, of the Company for the financial year ended March 31, 2023 along with the Report of the Board of Directors and Auditors' reports thereon, be and are hereby approved and adopted."

2. **To declare final dividend and confirm interim dividend for the financial year 2022-23**

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

"RESOLVED THAT an Interim Dividend of Rs.3.00 (30%) per equity share having a face value of Rs.10/- each, fully paid on the paid-up capital of the Company amounting to Rs.7,21,93,674.00, be and is hereby confirmed.

RESOLVED FURTHER THAT a final dividend of Rs.3.97 per share (39.70%) on the paid-up capital consisting of 2,40,64,558 equity shares, absorbing a sum of Rs. 9,55,36,295.26 as recommended by the Board, be approved and the same is hereby declared payable for the year ended March 31, 2023 as Final Dividend."

3. **To appoint Mr. S Viji (DIN: 00139043), Director retiring by rotation, being eligible for re-election**

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

"RESOLVED THAT Mr. S Viji (DIN: 00139043), a Director retiring by rotation, being eligible for re-election, be and is hereby re-elected as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. **To ratify the remuneration payable to Cost Auditor of the Company for the financial year ending March 31, 2024**

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 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), a remuneration of Rs. 7,50,000/- (Rupees Seven lakhs Fifty Thousand only) per annum (excluding applicable taxes and reimbursement of out-of-pocket expenses) payable to M/s. Geeyes & Co., Cost and Management Accountants (Firm Registration Number 00044), Cost Auditor, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, be and is hereby ratified.

RESOLVED FURTHER THAT Mr. Srivats Ram, Managing Director, Mr. P Ramesh, Chief Financial Officer and Ms. K V Lakshmi,

Company Secretary be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid resolution.”

5. **To approve the payment of commission to Non-Executive Independent Directors for a period of five years**

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 197 and any other applicable provisions of the Companies Act, 2013 (the ‘Act’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 17(6)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’), as amended from time to time, consent of the members be and is hereby accorded for payment of commission to Non-Executive Independent Directors for a period of five years commencing from the financial year ended March 31, 2023 till March 31, 2028.

RESOLVED FURTHER THAT the Board of Directors be authorized to decide on the quantum of commission payable to the Non-Executive Independent Directors within the overall maximum limit of one percent of net profits of the Company per annum for that financial year computed in accordance with the relevant provisions of Section 198 of the Act or such other percentage as may be specified by the Act from time to time in this regard.

RESOLVED FURTHER THAT the above remuneration shall be in addition to sitting fee

payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

RESOLVED FURTHER THAT Mr. Srivats Ram, Managing Director, Mr. P Ramesh, Chief Financial Officer and Ms. K V Lakshmi, Company Secretary be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid resolution.”

6. **To approve the re-appointment of Mr. Srivats Ram (DIN:00063415) as Managing Director of the Company for a period of five years**

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 Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), the rules made thereunder read with Schedule - V to the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association of the Company, the recommendations and / or approvals of the Nomination & Remuneration Committee and the Board of Directors of the Company, the members hereby accord their consent to re-appoint Mr. Srivats Ram as Managing Director of the Company for a period of five years with effect from May 01, 2023 including the terms of remuneration payable to him, as set out hereunder:

Salary	Rs.13,20,000/- (Rupees Thirteen Lakhs twenty thousand only) per month in the scale of Rs.10,00,000/- to Rs.25,00,000/-. Annual increase will be effective 1 st April every year and the quantum of increase will be decided by the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee
Commission	Not exceeding 2% of the Net Profits of the company for each financial year or part thereof, computed in the manner laid down in the Companies Act, 2013 ('Act'). The quantum may be decided by the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee.
Perquisites	<ol style="list-style-type: none"> 1. Housing, Utilities and Furnishings: <ol style="list-style-type: none"> i) Provision of unfurnished residential accommodation, owned or leased by the Company, expenditure on which will be limited to 60% of the salary, or house rent allowance not exceeding 60% of salary. ii) the expenditure incurred by the Company on gas, electricity and water will be evaluated as per Income-tax Rules, 1962. iii) perquisites in the form of furniture, furnishings and other utilities in accordance with the rules of the Company, the value of which will be evaluated as per Income-tax Rules, 1962; 2. Medical reimbursement: Expenses incurred for self and family including premium payable for medical insurance in accordance with the rules of the Company. Explanation: "Family" means the spouse, children and parents of the Managing Director. 3. Personal Accident Insurance in accordance with the rules of the Company. 4. Leave Travel Allowance for self and family once in a year in accordance with the rules of the Company. 5. Payment of company's contributions to Provident Fund / Pension Fund / Superannuation Fund / Gratuity Fund and encashment of leave (at the end of the tenure) shall not be included in the computation of remuneration or ceiling on the perquisites. 6. Fees for clubs, subject to a maximum of two clubs excluding admission and life membership fee. 7. Provision of chauffeur driven Company car. (Provision of chauffeur driven company car for official purposes shall not be included in the computation of perquisites for the purpose of calculation of the said ceiling on perquisites.) 8. Provision of telephone(s) including mobile phones at the expense of the company. 9. Such other allowances, perquisites, benefits and amenities as may be provided by the company to other senior managerial personnel from time to time. <p>For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same shall be evaluated at actual cost.</p> <p>The annual value of which will be limited to a ceiling of 100% of the annual salary.</p>

Minimum Remuneration	<p>In the event of any loss or inadequacy of profits in not more than three financial year during such tenure, the Board of Directors, based on the recommendations of the Nomination and Remuneration Committee shall approve the remuneration payable to the Managing Director, during such financial year(s), in such manner as agreed to between the Board of Directors / Nomination and Remuneration Committee of the Board and the Managing Director however not exceeding the maximum limits specified in this behalf under Schedule V to the Act and Regulation 17 of the Listing Regulations.</p>
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RESOLVED FURTHER THAT Mr. S Ram, Chairman, Mr. P Ramesh, Chief Financial Officer and Ms. K V Lakshmi, Company Secretary be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid resolution.”

7. To approve the re-appointment of Mr. R Raghuttama Rao (DIN:0014623) as an Independent Director of the Company for a second term of five years

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule-IV to the Act and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. R Raghuttama Rao (DIN:0014623), Independent Director, whose first term of office as Independent Director of the Company is coming to a close on November 12, 2023, be and is hereby re-appointed as Independent

Director of the Company, not liable to retire by rotation for a further term of five consecutive years.

RESOLVED FURTHER THAT Mr. Srivats Ram, Managing Director, Mr. P Ramesh, Chief Financial Officer and Ms. K V Lakshmi, Company Secretary be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid resolution.”

8. To approve under Regulation 17(6)(ca) of the SEBI LODR, the commission payable to Mr. S Ram, Chairman (Non-Executive Director) exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company

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 Regulation 17(6)(ca) and other applicable provisions, if any, of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 ('SEBI LODR') including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force and other applicable provisions, if any, of the SEBI LODR read with applicable provisions of the Companies Act, 2013 and pursuant to approval of members

of the Company at the 57th Annual General Meeting, consent of the members be and are hereby accorded for payment of Commission to Mr. S Ram (DIN:00018309), Chairman & Non-Executive Director exceeding fifty percent of the total remuneration that may be payable to all Non-executive Directors of the Company during the financial year ending March 31, 2024.

RESOLVED FURTHER THAT Mr. Srivats Ram, Managing Director, Mr. P Ramesh, Chief

Financial Officer and Ms. K V Lakshmi, Company Secretary be and are hereby severally authorised to take all such steps as may be necessary, proper and expedient to give effect to the aforesaid resolution.”

Regd. Office:
No.21, Patullos Road,
Chennai - 600 002
May 18, 2023

By order of the board
K V Lakshmi
Company Secretary

NOTES:

1. The Ministry of Corporate Affairs (“MCA”), vide their circulars dated, April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021 May 05, 2022 read with December 28, 2022 (collectively referred to as “MCA Circulars”) has allowed Company to hold the Annual General Meeting (“AGM”) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) and the MCA Circulars, the AGM of the Company is being held through VC / OAVM
2. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted at the meeting under item nos. 3 to 8 is provided in Annexure-A to this Notice
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled

to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. As the AGM is being held through VC / OAVM in accordance with the MCA circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice

4. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC / OAVM and cast their votes through e-voting. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company

5. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act
7. The Register of Members and Share Transfer Books of the Company will remain closed from July 13, 2023 to July 19, 2023 (both days inclusive) for payment of dividend on equity shares.
8. The dividend, as recommended by the Board of Directors, if declared at the meeting, shall be paid to those members whose name(s) appear in the Register of Members of the Company as on July 12, 2023. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
9. Members holding shares in demat form are hereby informed that bank particulars registered against their accounts will be used by the Company for payment of Dividend. Changes in bank details are only to be advised to the Depository Participants by the Members. Members who are holding shares in physical form and desirous of registering bank particulars or changing bank particulars already registered against their respective folios are requested to write to the Company or Registrar & Transfer Agents, M/s. Cameo Corporate Services Limited, "Subramanian Building", No.1, Club House Road, Chennai – 600 002.
10. Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, as amended, dividends declared for the financial year ended 2015-16 from the date of declaration of dividend and thereafter, which remain unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government (IEPF). The members who have not encashed the dividend warrant(s) so far for the above financial year or any subsequent financial year are requested to make their claim to the Company. All shareholders are requested to claim their dividend on or before September 15, 2023, being the due date for transfer of unpaid / unclaimed dividend to IEPF.
11. Pursuant to the applicable provisions of the Companies Act, 2013 and IEPF Rules, all such shares in respect of which dividend has not been paid or claimed for seven consecutive years are required to be transferred to the Demat account of the IEPF authority.