

WHEELS INDIA LIMITED



56th ANNUAL REPORT 2014-2015



WHEELS INDIA LIMITED

Registered Office : 21, Patullos Road, Chennai - 600 002.

Website Address : www.wheelsindia.com

CORPORATE IDENTITY NUMBER : L35921TN1960PLC004175

56TH ANNUAL REPORT

FACTORIES

- PADI, CHENNAI - 600 050
TAMIL NADU
- 22KM RAMPUR, TANDA ROAD
RAMPUR - 244 925, UTTAR PRADESH
- PLOT NO. C-1, RANJANGAON GROWTH CENTRE
KAREGAON VILLAGE, SHIRUR TALUK
PUNE DISTRICT - 412 220, MAHARASHTRA
- PLOT NO. 11-18, SECTOR 7,
HSIDC GROWTH CENTRE,
BAWAL REWARI DISTRICT - 123 501, HARYANA
- SRIPERUMBUDUR
KANCHIPURAM DISTRICT - 602 105
TAMIL NADU
- PLOT NO. 56, SECTOR 11
INTEGRATED INDUSTRIAL ESTATE,
PANTNAGAR, UDHAM SINGH NAGAR - 263 153
UTTARAKHAND
- PLOT NO. D 3, DEOLI GROWTH CENTRE
DEOLI MIDC, TALUKA DEOLI,
WARDHA DISTRICT - 442 101, MAHARASHTRA
- DP NO 70 (P), SURVEY NO 214 (P),
SIDCO INDUSTRIAL ESTATE, THIRUMUDIVAKKAM
CHENNAI - 600 044. TAMIL NADU.

BANKERS

- UNITED BANK OF INDIA
- STATE BANK OF INDIA
- STANDARD CHARTERED BANK
- HDFC BANK LIMITED

AUDITORS

- M/S SUNDARAM & SRINIVASAN
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

T S VIJAYARAGHAVAN

AROON RAMAN

T K SESHADRI
(UPTO 8-9-2014)

B SANTHANAM
(FROM 8-9-2014)

J M AAKERS
(UPTO 30.10.2014)

CHRISTOPHER M B AKERS
(FROM 30.10.2014)

BHARATI RAO
(FROM 1.4.2015)

PAUL G REITZ
(FROM 23.4.2015)

AUDIT COMMITTEE

S PRASAD Chairman

S VIJI

T S VIJAYARAGHAVAN
AROON RAMAN

STAKEHOLDERS RELATIONSHIP COMMITTEE

S VIJI Chairman

S RAM

S PRASAD

NOMINATION & REMUNERATION COMMITTEE

S PRASAD Chairman

AROON RAMAN

T S VIJAYARAGHAVAN

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

SRIVATS RAM Chairman

S VIJI

S PRASAD

AROON RAMAN

CHIEF FINANCIAL OFFICER & SECRETARY

S SRIVATHSAN

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Financial Summary - Last Ten Years

Rs. in Crores

	31.03.15	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10	31.03.09	31.03.08	31.03.07	31.03.06
Operating Results										
Operating revenue (including other income)	1,982.54	1,825.15	1,927.34	2,079.83	1,703.36	1,253.00	1,166.01	1,147.81	1,015.62	867.08
Earnings Profit before Interest Depreciation and Tax	152.75	149.55	153.64	165.98	132.28	91.16	109.97	101.70	85.93	78.26
Depreciation	54.14	55.34	53.59	50.47	46.08	33.16	33.79	31.27	26.72	23.16
Earnings before Finance costs and Tax	98.61	94.21	100.05	115.51	86.20	58.00	76.18	70.43	59.21	55.10
Finance costs*	59.07	55.35	55.50	61.35	53.62	37.77	46.76	30.69	20.52	17.43
Profit before tax	39.54	38.86	44.55	54.16	32.58	20.23	29.42	39.74	38.69	37.67
Financial Position										
Equity Share capital	12.03	12.03	9.87	9.87	9.87	9.87	9.87	9.87	9.87	9.87
Reserves and Surplus	369.03	351.55	248.98	230.56	207.68	190.50	182.72	167.81	150.03	131.32
Shareholders' equity	381.06	363.58	258.85	240.43	217.55	200.37	192.59	177.68	159.90	141.19
Borrowings	389.23	331.66	419.57	387.68	329.75	374.02	381.95	287.36	239.93	209.71
Gross block**	1,054.67	989.07	922.93	816.68	759.47	710.64	655.40	551.85	446.44	388.78
Net block**	522.04	512.89	493.30	440.01	429.51	426.23	402.37	331.13	254.44	222.60
Dividend - Amount	9.03	9.01	7.99	9.87	6.41	4.44	5.43	6.91	6.41	6.41
Per Equity Share (Rs.)										
Dividend	7.50	8.20	8.10	10.00	6.50	4.50	5.50	7.00	6.50	6.50
Book Value Per Share	316.70	302.17	262.27	243.61	220.43	203.02	195.14	180.03	162.02	143.06
Earning Per Share	24.72	27.06	30.61	34.80	24.96	13.12	21.43	26.20	26.37	26.72

* As per revised Schedule VI of the Companies Act, 1956 from 31.03.11 and Schedule III of Companies Act, 2013 from 31.03.15

** Includes Capital Work-in-Progress

Notice to the Shareholders

NOTICE is hereby given that the Fifty Sixth Annual General Meeting of the Shareholders of the Company will be held on Thursday, August 13, 2015, at 11.00 a.m. at "The Music Academy", 168 (Old No.306), T T K Road, Chennai 600014, to transact the following business:

ORDINARY BUSINESS

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

RESOLVED THAT the Audited Balance Sheet as at 31st March, 2015 and the Profit & Loss Statement, Cash Flow Statement for the year ended 31st March, 2015 together with the Reports of the Directors and Auditors thereon, be approved and adopted.

2. 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/- per share already paid on the paid-up capital of the Company consisting of 1,20,32,279 equity shares of Rs. 10/- each amounting to Rs.3,60,96,837 be and is hereby confirmed and recorded.

RESOLVED FURTHER THAT, as recommended by the Directors, a Final dividend of Rs. 4.50 per share (45%) on the paid-up capital consisting of 1,20,32,279 equity shares, absorbing Rs. 5,41,45,255.50 (Rupees five crores forty one lakhs forty five thousand two hundred and fifty five and fifty paise only), be approved and the same is hereby declared payable for the year ended 31st March, 2015 as Final Dividend.

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary 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 for retirement by rotation.

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

RESOLVED THAT M/s Sundaram & Srinivasan, Chartered Accountants, Chennai (ICAI Registration Number 004207S), the retiring auditors, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and that the Statutory Auditors be paid an audit fee of Rs. 26.00 Lakhs (excluding service tax and reimbursement of out of pocket expenses).

SPECIAL BUSINESS

5. 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 applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the rules made thereunder, the approval of the members be and is hereby accorded to the change in designation of Mr S Ram (DIN 00018309) as a non-whole-time Director liable to retire by rotation and his re-appointment as a non-executive Chairman on and from 1.9.2015 and be paid remuneration with effect from 1.9.2015 on the terms and conditions including remuneration as set out hereunder:-

Commission not exceeding 1% of the net profits of the Company as may be decided by the Nomination and Remuneration Committee. Sitting fees for attending Meetings of Board / Committees. Perquisites – Company car with driver and telephone facility

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things that may in their absolute discretion consider necessary, proper, expedient, desirable or appropriate and take all necessary and desirable steps for the aforesaid purpose and matters incidental thereto.

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

RESOLVED THAT Mr Christopher M B Akers (DIN 06979883) who was appointed as a Director of the



Company in the casual vacancy caused by the resignation of Mr JMA Akers, and who, in terms of Section 161 of the Companies Act, 2013 holds office upto the date of this Annual General Meeting and who is eligible for appointment and in respect of whom the Company has received a notice, in writing from a member, under Section 160 of the Companies Act, 2013 be and is hereby appointed as a Director of the Company, liable to retirement by rotation.

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

RESOLVED THAT Mr Paul G Reitz (DIN 07159137), who was appointed as an Additional Director of the Company with effect from April 23, 2015 by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and who holds office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retirement by rotation.

8. 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 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Cost Auditors, M/s. Geeyes and Co, Cost and Management Accountants, firm Registration Number 00044 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 31st March, 2016, be paid a remuneration of Rs. 7.00 lakhs (Rupees Seven Lakhs) per annum excluding service tax and travel and reimbursement of out-of-pocket expenses.

Regd. Office:
21, Patullos Road
Chennai 600 002
May 18, 2015

By Order of the Board
S Srivathsan
Chief Financial Officer
& Secretary

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting (Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the Proxy need not be a member of the Company. For appointment of a proxy to be effective, the proxy form (enclosed) shall be duly filled, stamped, executed and lodged with the Registered Office of the Company at least 48 hours before the time fixed for the commencement of the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representative to attend the Meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 1.8.2015 to 13.8.2015 (both days inclusive) for payment of dividend on equity shares.
5. Final 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 13.8.2015. 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.

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6. 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 banking bank particulars already registered against their respective folios are requested to write to the Company.
7. Pursuant to the provisions of Section 205 A of the Companies Act, 1956, as amended, dividend declared for the financial year ended 2008-09 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. 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 Share Department of the Company at Padi, Chennai - 600050. It may also be noted that once the unclaimed dividend is transferred to the Government, as above, no claim shall lie against the Fund or the Company in respect of such amount.
8. In accordance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, postal ballot / remote e-voting facility have been provided to the members. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
9. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. The details indicating the process and manner for voting by electronic means, the time schedule including the time period during which the votes may be cast by remote e-voting, the details of the login ID, the process and manner for generating or receiving the password and for casting of vote in a secure manner are provided to the shareholders. The route map for the venue of the AGM is also provided to the Shareholders.
10. The Board of Directors has appointed Mr S Dhanapal, Partner, M/s S Dhanapal & Associates, Practising Company Secretaries, Chennai, as the Scrutinizer, for conducting the postal ballot and e-voting process in a fair and transparent manner. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities enabling the members to cast their vote in a secure manner. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link www.evotingindia.com during the following voting period: The e-voting period would commence on 10.8.2015 (9:00 am) and end on 12.8.2015 (5:00 pm).
11. During the above period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 6.8.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.
12. The procedure and instructions for e-voting is furnished in this notice as a separate annexure. Pursuant to Clause 35B (ii) of the Listing Agreement, to enable those shareholders who do not have access to e-voting facility, the Company has enabled a Postal ballot facility. A member desiring to exercise vote by postal ballot is requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed, in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours (5.00 PM) on 12.8.2015.
- The Scrutinizer will submit his report to the Company after completion of the scrutiny and the results of the ballot / e-voting will be announced by the Company on its website – www.wheelsindia.com within two days of the Annual General Meeting.



Annexure to the Notice

Explanatory Statement under Section 102 of the Companies Act, 2013

SPECIAL BUSINESS

Item No 5

At the 55th Annual General Meeting held on 8.9.2014 the shareholders approved the appointment of Mr S Ram, Whole-time Executive Chairman liable to retire by rotation.

It is proposed that on and from 1.9.2015 Mr S Ram will relinquish his position as an Executive Chairman and function as a Non-Whole time Director liable to retire by rotation in his designation as Non-Executive Chairman. This change in terms of the designation and remuneration of Mr S Ram will require prior approval of the shareholders by way of special resolution. The revised remuneration payable to him as Non-Executive Chairman as detailed in the resolution will be effective from 1st September 2015. A brief profile of Mr S Ram, as required to be given pursuant the Listing Agreement, has been given in the Corporate Governance report forming part of the Directors Report. Company has received a notice in writing proposing his candidature for the office of the Director.

Accordingly the resolution contained require the consent of the Members. Mr S Ram is interested in this resolution to the extent of the remuneration payable to him. Mr S Viji (DIN 00139043), Director, Mr Srivats Ram (DIN 00063415), Managing Director and relatives of Mr S Ram are deemed to be interested in the said resolution. None of the other directors or Key Managerial Personnel of the Company either directly or through their relatives are in any way concerned or interested, whether financially or otherwise in this resolution.

Item No 6

Mr Christopher M B Akers was appointed as a Director of the Company with effect from 30.10.2014 in the casual vacancy caused by the resignation of Mr J M A Akers. He holds office upto the date of this Annual General Meeting and is eligible for election.

A notice, in writing, under Section 160 of the Companies Act, 2013 has been received from a Member of the Company signifying his intention to propose Mr Christopher M B Akers as a candidate for the office of the Director. Accordingly the resolution contained require the consent of the members. A brief profile of Mr Christopher M B Akers has been given in the Corporate Governance report forming part of the Directors Report.

None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr Christopher M B Akers, is in any way, interested or concerned in this resolution.

Item No 7

Mr Paul G Reitz who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013 effective April 23, 2015, holds office up to the date of this Annual General Meeting, and is eligible for appointment as Director. The Company has received notice under Section 160 of the Companies Act, 2013 signifying intention to propose the candidature of Mr Paul G Reitz for the office of the Director. Accordingly the resolution contained require the consent of the Members.

A brief profile of Mr Paul G Reitz has been given in the Corporate Governance report forming part of the Directors Report. None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr Paul G Reitz, is in any way, interested or concerned in this resolution.

Item No 8

The Board, on the recommendations of the Audit Committee, has approved the appointment of the Cost Auditors, M/s. Geeyes & Co, Cost & Management Accountants, at a remuneration of Rs 7.00 lakhs (Rupees Seven Lakhs only) per annum plus travel and reimbursement of out of pocket expenses, at actuals, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing the resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2016. The Board recommends the resolution set forth in the Notice for the approval of the Members. None of the Directors/Key Managerial Personnel/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Regd. Office:
21, Patullos Road
Chennai 600 002
May 18, 2015

By Order of the Board
S Srivatsan
Chief Financial Officer
& Secretary

Directors' Report to the Shareholders

Your Directors present their Fifty Sixth Annual report and the Audited Accounts of your Company for the year ended March 31, 2015.

Performance

Sales for the year under review were Rs. 1,944 crores compared to Rs. 1,798 crores in the last year showing an increase of 8% when compared with the previous year.

Financial Results

The financial results of your Company for the year under review are as below:

(Rs in Crores)

	2014-15	2013-14
Gross profit before finance cost and depreciation	152.75	149.55
Finance Costs	59.07	55.35
Depreciation	54.14	55.34
Profit before tax for the year	39.54	38.86
Profit after tax for the year	29.74	28.41
Transfer to General Reserve	18.00	18.00

Dividend and transfer to General Reserve

The Board approved and paid an Interim Dividend of Rs. 3.00 per equity shares (30%) in February 2015.

Your Directors are pleased to recommend a final dividend of Rs. 4.50 per equity share (45%) for the year ended 31st March, 2015. The final dividend recommended, if approved at the 56th Annual General Meeting, will be paid to all the shareholders whose name appears in the Register of Members as on the Book closure date. The total dividend for the financial year including the proposed final dividend will absorb

Rs. 9.03 crores and Dividend Distribution Tax of Rs.1.82 crores.

The Company proposes to transfer an amount of Rs. 18 crores to the General Reserves. An amount of Rs. 9.63 crores is proposed to be retained in the Statement of Profit and Loss.

Management Discussion and Analysis

In 2014, global GDP growth was 2.6% as against 2.5% in the preceding year, with growth in the US being offset by sputtering growth in Europe and Japan and a planned slowdown in China. The year saw low commodity prices, low interest rates and weak world trade in the global economy. The Indian GDP is estimated to have grown at 7.4% in the new series as against 6.9% last year. The year saw a majority government voted in for the first time in more than a decade. Aided by a steep fall in international oil prices, the government was able to bring down inflation to the lowest levels in 5 years, keeping the rupee stable vis-a-vis most other currencies which depreciated against the dollar. However, lack of capital investment and an erratic monsoon affected the growth of the economy.

The Indian vehicle industry saw a growth of 26% in the commercial vehicle segment, which came off the trough of the cycle, as replacement demand started kicking in with the low fuel cost marginally improving viability of transporters. The relatively low level of economic activity in the country reflected in low growth in goods movement. The sector saw the growth of the heavy segment and the intermediate segment at the expense of the medium duty segment. There was a 10% growth in the light commercial vehicle segment (4T-9T GVW) with more growth in the passenger segment of this sector.

The agricultural tractor market coming off a year of record growth, saw a steep decline in the second



half of the year, as unseasonal weather, low level of government procurement and no increase in minimum support prices affected the market which declined by 15%. While the domestic market slowed down, tractor manufacturers were able to focus on and grow exports.

The same factors affecting the tractor market affected rural demand and saw a decline in the market for pick-ups and small trucks. There was a growth of 4% in the market for cars and utility vehicles overall. However, there is a concern for the Company as the fitment of cast aluminium wheels increased from 15% to 19%, over the year. This trend is likely to continue affecting future prospects for steel passenger car wheels.

The growth of the US economy and a pre-buy in Japan triggered by new engine regulation norms saw a growth in the construction equipment demand in these two markets amidst steep declines elsewhere. The mining industry was affected by low commodity prices and lack of demand worldwide affecting capital purchases including that of mining trucks. The demand for mining trucks for coal mining was further affected by the mining ban in India, and shale gas discovery in the US.

The market for air suspension systems for buses was affected as till the new government came to power, procurement of new buses by STU was stalled. There was some activity in the latter part of the year with some portion being carried forward to the coming year.

The non-availability of coal, accentuated by the mining ban, along with lack of funding affected the commissioning and implementation of many thermal power projects. While the thermal power projects had their demand affected by these factors, there was a 30% growth in the Indian wind power equipment installation in the last year with the government encouraging renewable energy sources.

In the commercial vehicle, agricultural tractor, construction and mining truck wheel markets we performed in line with the industry. In the passenger car wheel market, we were affected by both higher aluminium fitment, an increase in competition, and our high exposure to the small truck segment that saw a big decline. In spite of the adverse global environment, our exports grew by 16% driven by the forged aluminium wheel business and the growth in earthmover wheels off-setting the decline in tractor wheel exports.

In the financial year gone by, we saw a 8.5% growth driven mainly by the commercial vehicle domestic market, export market and growth in non-wheel business. The drop in light vehicle wheel volumes over the year and agricultural tractor wheel volumes in the second half, resulted in low capacity utilization and affected profitability. We were able to manage energy costs in spite of power tariff increases, due to fuel cost reductions in the second half. The price pressures from export customers due to currency movements especially in the second half affected our profitability. There was an increase in freight costs, as customers have insisted on palletized supply across segments, thereby reducing the number of wheels in a truck.

Your Company focused on cost management and continuous improvement throughout the year with structured review mechanisms in place. In addition to cost, operations and business reviews, we also focus specifically on safety and quality at each of our manufacturing plants, and strive to show improvements in these areas. Your Company encourages development of employees and encourages quality circles and suggestions from operators on the shop floor. In the last year, a team of operators won the Silver award at the International Convention on Quality Circles held in Colombo. In the last financial year, your Company has won performance and quality related awards from

customers such as Caterpillar, John Deere, Tata Motors, Toyota Kirloskar and Volvo Eicher. In addition, your Company won the ACMA Technology Gold Award for 2014, acknowledging our developmental capabilities.

The RBI estimates that the economy will grow at 7.8% in the coming year, marginally better than last year. There has been regularisation of coal block allocation and partial opening up of mining which should improve prospects in the sector in the second half of the year. However, lack of funding and structural bottlenecks are likely to delay implementation of earmarked infrastructure projects to the latter part of the coming year. The unseasonal rains and the forecast of a below normal monsoon could continue to affect rural demand. It is expected that commodity prices remain stable keeping inflation under control. The government is likely to continue its good work in terms of fiscal discipline.

In the commercial vehicle sector, it is expected that all vehicles registered in the northern states would have to comply to BS 4, which should trigger some pre-buy from the middle of the year. This along with the fact that the sector is coming out of a cyclical trough, should result in close to double digit growth in spite of continued macro-economic headwinds. The agricultural tractor market should remain at the same levels as last year as the macro-economic factors remain the same. This will also affect the light truck market where rural demand is a big factor. In the passenger car market, we expect muted growth driven by new product launches by leading manufacturers. In this segment, however, your Company's prospects will be limited as aluminium wheel fitment is likely to increase. It is expected that the domestic demand for mining trucks will improve with partial opening up of the mining sector and this should auger well for this segment.

In the construction equipment segment, we expect a slowdown in Japan as the new tier engine regulations come into force. There is also strong competition in the international construction equipment segment following the relative devaluation of the Yen, Euro and Real as opposed to the Indian Rupee. This, being the largest component of the export basket for the Company, may have an adverse impact on our exports in the coming year. However, some positive sentiment in the US construction equipment market and good demand for our forged aluminium wheels could offset this and enable our exports to remain at the same level as last year. The domestic wheel demand for your Company will increase largely due to the commercial vehicle market.

The air suspension business should benefit from Ministry of Urban Development's recommendation of air suspension systems on city buses, although the ordering of these will to some extent depend on funds availability with STUs. We do see some growth in the air suspension for vans and truck trailers. Your Company is also expected to start supplies of lift axle suspension systems to a major truck manufacturer in the coming year. This should ensure some growth in your Company's air suspension business.

While the thermal power segment is likely to continue to have issues due to fund availability, we expect to show marginal growth based on new products that will be introduced in the second half of the year.

While it is expected that raw material prices remain soft during the year, we do expect price pressures in export markets due to the relative weakness of competing currencies. There is also price pressure in some of the domestic segments where there is excess capacity amongst suppliers.



Fixed Deposits

As at 31st March, 2015, fixed deposits accepted by the Company from public and shareholders aggregated to Rs. 91.69 crores, which are within the limits prescribed under the Companies Act, 2013 ("2013 Act") and the rules framed thereunder.

With the notification of applicable provisions of the 2013 Act governing deposits, with effect from 1st April, 2014, approval of shareholders was obtained at the last Annual General Meeting, by way of Special Resolution for inviting/ accepting/ renewing deposits.

The provisions of the 2013 Act also mandate that any company inviting/ accepting/ renewing deposits is required to obtain Credit Rating from a recognised credit rating agency. Your Company has obtained a credit rating for its fixed deposit, from ICRA.

The details relating to deposits covered under Chapter V of the 2013 Act are given in Annexure I forming part of this Report.

Particulars of Loans, Guarantees or Investments

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the 2013 Act. The details of the investments made by Company are given in the notes to the financial statements.

Associate Companies

A statement containing the salient features of the financial statement of the Associate Companies are provided in Annexure I forming part of this Report.

Directors

Mr T K Seshadri, Independent Director of the Company, did not seek re-election at the 55th Annual General Meeting held on 8th Sep, 2014. Mr J M A Akers, Non-Executive Director, resigned his Directorship during

the year. The Board places on record its appreciation of the valuable services rendered by the above mentioned Directors during their tenure of office.

Mr Christopher M B Akers (DIN 06979883) was appointed as a Non-Executive Director of the Company in the Board meeting held on 30th Oct, 2014 in the place of Mr J M A Akers.

He holds office up to the conclusion of the 56th Annual General Meeting and being eligible offers himself for appointment by the Members.

Mr T S Vijayaraghavan (DIN 00063728), Mr S Prasad (DIN 00063667), Mr Aroon Raman (DIN 00201205) and Mr B Santhanam (DIN 00494806) were appointed as Independent Directors for a term of five consecutive years from 8th Sep, 2014 by the Shareholders at the 55th Annual General Meeting.

Ms Bharati Rao (DIN 1892516) was appointed by the Members of the Company as an Independent Director for a term of five consecutive years from April 1, 2015.

The Board of Directors at its Meeting held on 23rd April, 2015 re-appointed Mr S Ram (DIN 00018309) as non-executive Chairman of the Board liable to retire by rotation with effect from 1st Sep, 2015, subject to the approval of the Members of the Company. Mr Paul G Reitz (DIN 07159137), was appointed as an Additional Director by the Board of Directors at its Meeting held on 23rd April, 2015. He holds office upto the conclusion of the 56th Annual General Meeting and being eligible, offers himself for appointment by the Members. The notice for this Meeting places the above subjects before you for your approval.

Under Article 94(3) of the Company, Mr S Viji (DIN 00139043) retires by rotation and being eligible, offers himself for re-election. Brief resume of Directors proposed to be appointed along with

additional information pursuant to Clause 49 of the listing agreement are provided in the Corporate Governance Report forming part of the Annual Report.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the 2013 Act.

Key Managerial Personnel

During the year under review, the Board took on record Mr Srivats Ram - Managing Director, Mr S Srivathsan - Chief Financial Officer & Company Secretary as the Whole-time Key Managerial Personnel of the Company under Section 203 of the 2013 Act.

Board Evaluation

In order to improve the effectiveness of the Board and its Committees, as well as the effectiveness of each individual Director, the Board carried out an annual performance evaluation of its own performance and that of its committees and the directors individually. The criteria and manner in which the evaluation has been carried out are provided in Annexure I forming part of this Report.

Familiarisation Programme

The Company has a program to familiarise Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. and the same is available on the website of the Company at www.wheelsindia.com.

Remuneration Policy

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

Nomination and Remuneration Policy is provided as Annexure II forming part of this Report.

Corporate Social Responsibility

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken various projects in accordance with Schedule VII of the 2013 Act.

The Board of Directors of your Company has constituted the CSR Committee to help the Company to frame, monitor and execute the CSR activities. The Board of your Company has further approved the CSR Policy of the Company to provide a guideline for CSR activities of the Company. The Committee defines the parameters and observes them for effective discharge of the social responsibility of your Company.

The Company has fulfilled its obligation towards CSR by spending a sum of Rs. 1.04 crores during the year. The constitution of the CSR Committee and the report as required under the 2013 Act, are provided as Annexure III forming part of this Report.

Risk Management

Your Company recognizes that Risk Management is an integral part of good management practice. Risk Management is an essential element in achieving business goals and deriving benefits from market opportunities. Accordingly the Board, has approved and adopted Risk Management Policy and implemented the above Policy including identification of elements of risk. The Company has constituted a Risk Management Committee with functional heads as members.

The purpose of the policy is to achieve the Company's objectives in a dynamic environment as well as to effectively manage the risks arising and associated with its business, to establish a structured Risk



Management framework, covering various risks involved, and to ensure that the risks attributed to the Company are identified, analyzed, and managed.

The Committee also meets periodically and review the framework so as to effectively address the emerging challenges in a dynamic business environment and advises the Audit Committee on the appropriateness of significant policies and procedures relating to the risk as applicable to the Company.

Internal Control Systems and Audit

Your Company has adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, safeguarding of assets of the Company, adhering to the management policies besides ensuring compliances.

Internal Audit plays a key role by providing an assurance to the Board of Directors and to the business operations. The Internal Audit team monitors the effectiveness of controls, and also provides an independent and objective assessment of the overall governance processes in the Company, including the application of risk management. Further, the Audit Committee reviews adherence to internal control systems and internal audit reports.

Vigil Mechanism / Whistle Blower Policy

In accordance with the requirements of the 2013 Act, your Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and Employees to report genuine concerns. The said Policy meets the requirement of the Vigil Mechanism framework under the 2013 Act, and the members can view the details of the policy on www.wheelsindia.com.

Director's Responsibility Statement

The Board of Directors acknowledges the responsibility of ensuring compliance with the provisions of Section 134(3)(c) of the 2013 Act. To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the 2013 Act:

- a. that in the preparation of the annual financial statements the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the 2013 Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that proper systems are in place so as to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Related Party Transactions

The Company has formulated a policy on Related Party Transactions and the same is uploaded on the Company's website www.wheelsindia.com.

All Related Party Transactions that were entered into by the Company during the financial year 2014-15, were at an arm's length basis and were in the ordinary course of business. There are no "material" contracts or arrangement or transactions at arm's length basis and hence disclosure in form AOC-2 is not required.

All Related Party Transactions were placed before the Audit Committee for their prior approval in accordance with the requirements of the Listing Agreement. The transactions entered into pursuant to such approval are placed periodically before the Audit Committee.

There are no materially significant Related Party Transactions made by the Company with Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

Meetings of the Board

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings are circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

However, in case of special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting. The details of the Meetings of the Board as well as the Committees are disclosed in the Corporate Governance Report, forming part of this Report.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

Employees and details of Remuneration:

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under the 2013 Act and the rules framed thereunder. The information required pursuant to Section 197 of the 2013 Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, is provided in Annexure IV forming part of this Report.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no cases filed pursuant to the above Act.

Corporate Governance

In pursuance to Clause 49 of the Listing Agreement with the Stock Exchange, Corporate Governance Report is given in Annexure V and forms part of this Report.



Auditors

M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai retire at the conclusion of the Fifty Sixth Annual General Meeting and are eligible for re-appointment. The Company has received necessary certificate from the Auditors under Sections 139 and 141 of the 2013 Act, to the effect that they satisfy the conditions under the 2013 Act and the rules made thereunder for the above re-appointment. The Directors recommend their re-appointment.

As required under the Listing Agreement, the Statutory Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Secretarial Audit

Pursuant to the provisions of Section 204 of the 2013 Act and the rules framed thereunder, the Company appointed M/s. S Dhanapal & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is given as an Annexure VI and forms part of this Report.

Comments on Auditors' report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors and Company Secretary in Practice in their reports respectively. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

Safety

Continuing the engagement with DuPont, your Company has marched forward in the safety journey to next level during 2014-15.

A structured monthly review meeting chaired by the Managing Director, monitors the safety performance of various units with proper corrective & preventive actions follow up. Standard Operating procedures with safety incorporated have been made and trained people at all levels in the organization. More focused attention paid to Supervisory and operator cadre to bring about a complete Safety Operating culture.

The results are very encouraging and your Company strives to become one of the leading Company for hall mark of Safe working practices.

Extract of Annual Return

The details forming part of the extract of the Annual Return in Annexure VII forms part of this Report.

General

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo as required under Section 134(3)(m) of the 2013 Act, read with rule 8(3) of the Companies (Accounts) rules, 2014 are enclosed as Annexure VIII and forms part of this report.

The Directors wish to thank United Bank of India, State Bank of India, Standard Chartered Bank, HDFC Bank, other Banks and financial institutions for their continued support. Your Company continues to have the full co-operation of all its employees. The Directors would like to place on record the appreciation of the efforts of the employees in controlling costs and improving the profitability of the Company.

On behalf of the Board of Directors

Chennai
May 18, 2015

S Ram
Chairman
DIN 00018309

Annexure I

Deposits

The details relating to Deposits covered under Chapter V of the 2013 Act are given below:- Rs in crores

Accepted during the year	46.99
Remained unpaid or unclaimed as at the end of the year	1.08
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	
i) at the beginning of the year;	Nil
ii) maximum during the year;	Nil
iii) at the end of the year;	Nil
The details of deposits which are not in compliance with the requirements of Chapter V of the Act	Nil

Board Evaluation

The criteria for Evaluation were in accordance with the Nomination & Remuneration Policy adopted by the Company. The evaluation was under taken taking into account the following:-

Composition of the Board and availability of multi-disciplinary skills, Commitment to good corporate governance practices, Adherence to regulatory compliance, Grievance redressal mechanism, Track record of financial performance, Existence of integrated risk management system, Use of modern technology, Commitment to CSR.

In addition to the above the following were also considered: Qualifications & Experience, Leadership Qualities, Standard of integrity, Understanding of Macro & Micro Economic and Industry trends, Public Relations, Future Vision and Innovation, Attendance in Board Meetings/ Annual General meeting, Understanding of Company's business, Value addition in Board Meetings and other parameters mentioned in the Policy.

Form No. AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

1	Sl. No.	Not Applicable
2	Name of the subsidiary	
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
5	Share capital	
6	Reserves & surplus	
7	Total assets	
8	Total Liabilities	
9	Investments	
10	Turnover	
11	Profit before taxation	
12	Provision for taxation	
13	Profit after taxation	
14	Proposed Dividend	
15	% of shareholding	
Note: Names of subsidiaries which are yet to commence operations. Names of subsidiaries which have been liquidated or sold during the year.		



Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures

	Name of Associates / Joint Ventures	Sundaram Hydraulics Limited CIN U71290TN2007PLC065658)	Axles India Limited CIN U27209TN1981PLC008630
1	Latest audited Balance Sheet Date	31.3.2014	31.3.2014
2	Shares of Associate/Joint Ventures held by the Company on the year end		
	No.	1,12,50,000	24,24,661
	Amount of Investment in Associates/ Joint Venture	Rs 11.25 crores	Rs 2.72 crores
	Extend of Holding %	37.50% of equity shares	9.51%
3	Description of how there is significant influence	Holding more than twenty percent of the total share capital	By virtue of Articles of Association of Axles India Limited
4	Reason why the associate / joint venture is not consolidated	Vide Ministry of Corporate Affairs notification dated 14.10.2014, the same is not applicable for the current financial year	Vide Ministry of Corporate Affairs notification dated 14.10.2014, the same is not applicable for the current financial year
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	Rs. 2.80 crores	Rs. 6.40 crores
6	Profit / Loss for the year	Loss Rs. 4.18 crores	Net profit Rs 1.97 crores
	i. Considered in Consolidation	-	-
	li Not Considered in Consolidation	Loss Rs. 4.18 crores	Net profit Rs 1.97 crores

- Names of associates or joint ventures which are yet to commence operations – Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year – Not Applicable

S Ram
Chairman

Srivats Ram
Managing Director

S Prasad
Director

For **Sundaram & Srinivasan**
Chartered Accountants
Registration Number 004207S

S Srivathsan
Chief Financial Officer & Secretary

K Srinivasan
Partner
Membership No:5809

Chennai
18th May, 2015

Annexure II

Nomination and Remuneration Policy

Preamble

The Company strongly believes that human resources which manage the other resources have infinite potential, and therefore, their development is the key to organizational effectiveness. We commit ourselves to integrate human resources with Organizational growth and development for mutual benefit.

Scope

This Nomination and Remuneration Policy has been formulated in compliance with Section 178 and other applicable provisions of the Companies Act 2013 read with the applicable rules thereto and the provisions of the Listing Agreement.

Objective

- a) To laydown criteria in relation to appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management.
- b) To carry out evaluation of the performance of the Directors and remuneration for the Directors, KMPs and other Senior Management.
- c) To formulate criteria for determining qualification, positive attributes and independence of a Director.

Definitions

“Key Managerial Personnel”, in relation to a company, means (i) the Chief Executive Officer or the Managing Director or the Manager; (ii) the Whole-time Director; (iii) the Chief Financial Officer; (iv) the Company Secretary and (v) such other officer as may be prescribed under the Companies Act 2013.

Senior Management: - means executives of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Policy:

The role of the Committee shall be in accordance

with the provisions of the Listing Agreement and the Companies Act 2013 and the Rules framed thereunder. The Nomination & Remuneration Committee (“Committee”) constituted by the Board of Directors of the Company, shall identify, ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level. The Committee has powers to decide whether qualification, expertise and experience possessed by a person is sufficient for such position.

A. Appointment

Appointment and Remuneration - Executive Directors

The appointment, payment of remuneration to the Executive Directors shall be in accordance with the provisions of the Companies Act 2013 (as amended from time to time) read with the applicable Rules framed under the Companies Act, 2013.

Independent Directors

An independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company’s business and such other related areas as the Nomination & Remuneration Committee may in its absolute discretion deem fit.

KMP, Senior Management and other Employees

The Company has an organizational chart displaying the position of Senior Management including KMP and other positions with the minimum qualifications and experience requirements for each positions which commensurate with the size of its business and the nature and complexity of its operations. Any new recruit in the company is to match the requirements prescribed in the organizational chart of the Company.

B. Remuneration

Remuneration of the Directors, KMPs shall be based



on and taking in to account the following:-

- a) Scope of duties, the role and nature of responsibilities
- b) The level of skill, knowledge and experience of individual
- c) Core performance requirements and expectations of individuals
- d) The Company's performance
- e) Legal and Industrial Obligations
- f) Other parameters as the Company may decide from time to time

The power to decide structure of remuneration for Senior Management and other employees has been delegated to the Human Resources Department of the Company.

C. Evaluation

Executive Directors and Non-Executive Directors

The performance of the Board as a whole, of its committees, and of its members shall be evaluated at least once a year keeping in view the objectives of the Company.

The results of board evaluation shall remain confidential between the Chairman and Directors concerned. The evaluation process will be used constructively as a mechanism to improve board effectiveness and maximize strengths.

Criteria for Evaluation

Criteria for Evaluation of the Board and Non-Independent Directors at a separate meeting of the Independent Directors

- a) Composition of the Board and availability of multi-disciplinary skills
Whether the Board comprises of Directors with sufficient qualifications and experience in diverse fields to make the Company a pioneer in its area of operations.

Independent Directors

The same will be in accordance with Section 149 of the Companies Act 2013 read with Schedule IV to the said Act, the rules framed thereunder under the Act. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

KMPs, and Senior Management

The criteria will be in accordance with the HR guidelines as applicable to the Company from time to time.

Other Employees

The power to decide criteria for evaluation of other employees has been delegated to Human Resource department of the Company.

D. Removal

The power to decide criteria for removal of Senior Management, other employees has been delegated to Human Resource department of the Company.

E. Deviation from this policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in interest of the Company, will be made if there are specific reasons to do so in individual cases.

- b) Commitment to good Corporate Governance practices
 1. Whether the Company practises high ethical and moral standards
 2. Whether the Company is fair and transparent in all its dealings with stake holders
- c) Adherence to regulatory compliance
Whether the Company adheres to the various

	government regulations, local, state and central in time.		causes and CSR and whether there is a system to identify, finance and monitor such social activities
d)	Track record of financial performance Whether the Company has been consistently recording satisfactory and profitable financial performance year on year adding to shareholder value. Whether the Company is transparent in all its disclosures on financial data		Criteria for evaluation of Chairman at separate meeting of Independent Directors a) Leadership qualities b) Standard of integrity c) Understanding of Macro & Micro Economic and industry trends d) Public relations e) Future vision and innovation
e)	Grievance redressal mechanism Whether a proper system is in place to attend to the complaints/ grievances from the shareholders, depositors, customers, employees and others quickly and fairly.		Criteria for evaluation of Independent Directors by the entire Board a) Qualifications & Experience b) Standards of integrity c) Attendance in Board Meetings/ AGM d) Understanding of Company's business e) Value addition in Board Meetings
f)	Existence of integrated Risk Management System Whether the Company has an integrated risk management system to cover the business risks		Criteria for evaluation of the Audit Committee by the Board a) Qualification, Experience of members b) Depth of review of financial performance c) Overview of Audit & inspection d) Review of regulatory compliance e) Fraud monitoring
g)	Use of modern technology Whether the Company has a system for periodical technology up-gradation in respect of IT hardware/software, production processes and engineering, designing capabilities, innovation and increasing its technology deployment to meet the requirements of its customers in various industry segments.		
h)	Commitment to CSR Whether the Company is committed to social		



Annexure III

Annual Report on CSR Activities for the Financial Year 2014-15

1	A brief outline of the Company's CSR policy, including overview of project or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs :	The CSR activities carried out by the Company are in accordance with the Policy, as laid down and approved by the Committee, duly approved by the Board. The CSR policy is available in the Company's website and Web-link is: http://wheelsindia.com/pdf/CSR-policy.pdf
2	The Composition of the CSR Committee :	The Committee has Mr Srivats Ram, as Chairman, Mr S Viji, Mr S Prasad & Mr Aron Raman as other Members
3	Average net profit of the Company for last three financial years :	Rs. 4,586 Lakhs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above):	Rs. 92 Lakhs
5	Details of CSR spent during the financial year :	(a) Total amount to be spent for the financial year : Rs. 92 Lakhs
		(b) Amount unspent, if any : NIL
		(c) Manner in which the amount spent during the financial year is given in Annexure
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report :	Not applicable
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company :	We hereby state that implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company

Chennai
18th May, 2015

S Prasad
Director

Srivats Ram
Chairman - CSR Committee

Annexure to Annual Report on CSR activities for the Financial Year 2014-15

Rs in lakhs

1	2	3	4	5	6	7	8
S. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Promoting Education by providing financial assistance to deserving and meritorious students and also educational institutions which work for this cause	Education	Tamil Nadu	47.33	47.33	47.33	Direct and through Implementing Agency A) Eureka Child Foundation - Direct Aid India B) Rural Self Employment and Educational Development Society (RSEEDS) C) Iniya Udaiyam Charitable Trust D) Tirupur Auxilium Salesian Sisters Society E) Bro Siga Animation Centre F) Eureka Child Foundation - NGO
2	Training of Farmers	Rural Development Projects	Tamil Nadu	12.20	12.20	59.53	Through Implementing Agency AME Foundation
3	Promoting Health Care including Preventive Health Care	Health	Tamil Nadu	30.00	30.00	89.53	Direct
4	Contribution to Prime Minister's Relief Fund	Prime Minister's Relief Fund	New Delhi	12.50	12.50	102.03	Direct
5	Contribution to Sports	Special Children Sports	Tamil Nadu	0.10	0.10	102.13	Direct
6	Protection of National Heritage, Arts and Culture	National Heritage, Arts and Culture	Tamil Nadu	1.55	1.55	103.68	Direct
	TOTAL			103.68	103.68		

Chennai
18th May, 2015

S Prasad
Director

Srivats Ram
Chairman - CSR Committee



Annexure IV

Disclosure pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

	Name of the Director / Key Managerial Personnel	Ratio to Median Remuneration (times)
a)	Mr S Ram, Chairman	13.41
b)	Mr Srivats Ram, Managing Director	34.62
c)	Mr S Srivathsan, Chief Financial Officer & Secretary	12.76

- b) Percentage increase in remuneration of the following KMPs in the financial year:-

Non-Executive Directors: - Non-Executive Directors are not paid any remuneration other than Sitting Fee for attending the Board Meetings. The Sitting Fee paid to each of the Non-Executive Directors are given in the Corporate Governance Report , which is forming of the Directors' Report

Mr S Ram, Chairman	14.37%
Mr Srivats Ram, Managing Director	12.68%
Mr S Srivathsan, Chief Financial Officer & Secretary	11.07%

- c) Percentage increase in the median remuneration of employees in the financial year: Increase in the median remuneration of employees in the financial year : 6.80%.
- d) Number of permanent employees on the rolls of Company: As on 31.3.2015, the Company had 2241 permanent employees on the rolls of the Company.
- e) Explanation on the relationship between average increase in remuneration and Company performance:
The remuneration paid is commensurate with the Company's performance taking into account the scope of duties, their role and nature of responsibilities.
- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company and comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

Rs. in Crores

Remuneration of Key Managerial Personnel (KMP) during 2014-15 (aggregated)	2.72
EBIDTA	152.75
Remuneration as % EBIDTA	1.78

Rs. in Crores

Particulars	Mr S. Ram Chairman	Mr Srivats Ram Managing Director	Mr S Srivathsan CFO & Secretary
Remuneration	0.60	1.55	0.57
EBIDTA	152.75	152.75	152.75
Remuneration as % of EBIDTA	0.39	1.02	0.37

g) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.

Market capitalization of the Company	As on 31.3.2015	As on 31.3.2014
Closing price of WIL equity share in NSE	1,275.45	539.85
Outstanding shares	1,20,32,279	1,20,32,279
Market capitalization of the Company	Rs 1,534.66 crores	Rs 649.56 crores
Price Earnings Ratio	51.60	19.95
Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer	The data cannot be ascertained as the last public offer was during 1975 at a price of Rs 11.50 per equity share	

- h) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average increase in remuneration is 7.46% for Employees other than Key Managerial Personnel and 12.71% for Key Managerial Personnel.
- i) The key parameters for any variable component of remuneration availed by the directors: There are no variable component of remuneration (other than Commission) availed by the Managing Director. No variable component of remuneration availed by Chairman. Other Directors are not paid any remuneration except sitting fee for attending the Board meetings.
- j) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: No Employee receive remuneration in excess of the highest paid director during the year
- k) Affirmation that the remuneration is as per the remuneration policy of the Company: The Remuneration paid to the Chairman, Managing Director and the Key Managerial Persons are in accordance with the remuneration policy of the Company as approved by the Board of Directors.



Annexure V

Report on Corporate Governance

1. Report on Corporate Governance

Your Company believes that effective Corporate Governance is a product of law, ethics, regulation and voluntary practices that helps in maximizing the stakeholders' value.

2. Board of Directors

All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct approved and adopted by the Board of Directors and the declaration in this regard by the Managing Director is forming part of this Report. The Board of Directors at present consists of 10 Directors, headed by the Chairman.

S. No	Name of the Directors	Category	No. of Directorship in other public limited companies in India	No. of Membership in Committees of Boards of other public limited Companies*	No. of Chairmanship in Committees of Boards of other public limited Companies*
1	Mr S Ram	Executive Chairman	6	1	1
2	Mr S Viji	Non-Executive	5	Nil	Nil
3	Mr Srivats Ram	Managing Director	4	1	Nil
4	Mr T S Vijayaraghavan	Independent	Nil	Nil	Nil
5	Mr S Prasad	Independent	3	Nil	4
6	Mr Aroon Raman	Independent	4	1	Nil
7	Mr T K Seshadri	Independent	NA	NA	NA
8	Mr B Santhanam	Independent	Nil	Nil	Nil
9	Mr J M A Akers	Non-Executive	NA	NA	NA
10	Mr Christopher M B Akers	Non-Executive	Nil	Nil	Nil
11	Ms Bharati Rao	Independent	9	6	Nil
12	Mr Paul G Reitz	Non-Executive	Nil	Nil	Nil

*Only Audit Committee and Stakeholders Relationship Committee considered.

Mr S Ram is father of Mr Srivats Ram, Managing Director and brother of Mr S Viji.

Mr T K Seshadri retired at the AGM held on 8th Sep, 2014.

Mr B Santhanam was appointed as an Independent Director at the AGM held on 8th Sep, 2014.

Mr JMA Akers resigned on 30th Oct, 2014 and Mr Christopher MB Akers was appointed as a Director on 30th Oct, 2014.

Ms Bharati Rao was appointed as an Independent Director with effect from 1st April, 2015.

Mr Paul G Reitz was appointed as an additional Director on 23rd April, 2015.

None of the Directors is a member of more than ten Board-level Committees or Chairman of more than five such Committees, as required under Clause 49 of the listing agreement, across all public limited companies in which they are directors. All the Independent Directors have complied with the maximum number of Directorships permitted under the Companies Act, 2013.

Attendance at Board Meetings and last Annual General Meeting

During the Financial Year 2014-15 under review, 6 Board Meetings of the Company were held on 16.5.2014, 16.7.2014, 31.7.2014, 8.9.2014, 30.10.2014 and 3.2.2015 and the last Annual General Meeting was held on 8.9.2014.

Directors	Attendance at Board Meetings		Attendance at Last Annual General Meeting
	Held	Attended	
Mr S Ram	6	6	Yes
Mr S Viji	6	4	No
Mr Srivats Ram	6	6	Yes
Mr T K Seshadri (upto 8-9-2014)	4	4	Yes
Mr J M A Akers (upto 30.10.2014)	5	1	No
Mr T S Vijayaraghavan	6	6	Yes
Mr S Prasad	6	6	Yes
Mr Aroon Raman	6	6	Yes
Mr B Santhanam*	2	2	Not Applicable
Mr Christopher MB Akers**	2	1	Not Applicable

* Appointed by the shareholders at the AGM held on 8-9-2014

** Appointed in the Board meeting held on 30th Oct, 2014.

Pecuniary Transactions with Non Executive Directors

(Rs. in lakhs)

Name of the Director	Nature	No. of Shares held	Amount	Interest
Mr S Viji	Fixed Deposits	-	101.80*	11.13
Mr T S Vijayaraghavan	Fixed Deposits	-	15.00*	1.57
Mr S Prasad	Dividend	1600	0.11	-

*Balance outstanding as on 31.03.2015

3. Audit Committee

Terms of reference

The Audit Committee is governed by the terms of reference which are as defined under the relevant provisions of the Companies Act 2013 and Clause 49 of the Listing Agreement.

Composition, Meetings and Attendance

The Company constituted an Audit Committee comprising of Independent Directors and Non-executive Director. The Audit Committee comprises of Mr S.Prasad as the Chairman, Mr S. Viji, Mr T S Vijayaraghavan and Mr Aroon Raman as the other Members.

The Committee so far met 8 times during the year under review on 18.4.2014, 16.5.2014, 16.7.2014, 31.7.2014, 29.9.2014, 30.10.2014, 21.1.2015 and 3.2.2015. The attendance of each member of the Committee are given below:-

Name	Category	No. of Meetings	
		Held	Attended
Mr S Prasad, Chairman	Independent	8	8
Mr S Viji	Non-Executive	8	6
Mr T S Vijayaraghavan**	Independent	Not Applicable	Not Applicable
Mr Aroon Raman	Independent	8	7
Mr TK Seshadri (upto 8-9-2014)	Independent	4	4

** inducted to the Audit Committee at the Board Meeting held on 3.2.2015



4. Nomination and Remuneration Committee

The Committee met on 23.4.2015 wherein all the members were present. The Committee approved a salary of Rs.4,50,000/- per month to Mr Srivats Ram, Managing Director with effect from 1.4.2015. The Committee took on record increase in salary of Mr S Ram to Rs. 2,75,000/- per month with effect from 1.4.2015. The Committee also approved payment of commission of 1.50% on the Net Profit to Mr Srivats Ram, Managing Director for the year 2014-15.

Terms of Reference

The role of the Committee is in accordance with the provisions of the Listing Agreement and the Companies Act, 2013 and the Rules framed thereunder. The Nomination and Remuneration Committee constituted by the Board of Directors of the Company, shall identify, ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level. The Committee has powers to decide whether qualification, expertise and experience possessed by a person is sufficient for such position.

Composition, Meetings and Attendance

The Nomination and Remuneration Committee consists of Independent Directors. The Committee has Mr S. Prasad, as Chairman, Mr Aroon Raman and Mr T.S.Vijayaraghavan as the other Members.

The Committee so far met 4 times during the year under review on 5.5.2014, 11.7.2014, 21.1.2015 and 17.2.2015.

The attendance of each member of the Committee are given below:-

Name	Category	No. of Meetings	
		Held	Attended
Mr S Prasad, Chairman	Independent	4	4
Mr T S Vijayaraghavan	Independent	4	4
Mr.Aroon Raman**	Independent	2	1
Mr TK Seshadri (upto 8-9-2014)	Independent	2	2

** inducted to the Committee at the Board meeting held on 30.10.2014.

Remuneration Policy

Remuneration of the Directors, KMPs shall be based on and taking in to account their scope of duties, role and nature of responsibilities, level of skill, knowledge and experience, core performance requirements, the Company's performance and such other parameters as the Company may decide from time to time.

The power to decide structure of remuneration for Senior Management and other employees has been delegated to the Human Resources Department of the Company

Details of the remuneration to the Directors during the year 2014-15 are given below: (Rs. in lakhs)

Name of the Director	Salary and allowances	Perquisites / Benefits	Commission	Contribution to funds	Sitting fees
Mr S Ram	48.00	8.49	-	3.60	-
Mr S Viji	-	-	-	-	2.15
Mr J M A Akers (upto 30.10.2014)	-	-	-	-	0.20
Mr Srivats Ram	76.80	1.20	64.21	12.96	-
Mr T K Seshadri (upto 8-9-2014)	-	-	-	-	1.60
Mr T S Vijayaraghavan	-	-	-	-	1.45
Mr S Prasad	-	-	-	-	3.15
Mr Aroon Raman	-	-	-	-	2.80
Mr B Santhanam (from 8-9-2014)	-	-	-	-	0.45
Mr Christopher MB Akers (from 30.10.2014)	-	-	-	-	0.20

5. Stakeholders Relationship Committee

The Committee looks into the redressal of the Investor complaints and complaints received from the stock exchanges. The said committee deals with redressal of matters relating to transfer/transmission of shares, non-receipt of balance sheet, non-receipt of dividend declared etc.

The Committee consists of three Directors with Mr S. Viji as the Chairman, Mr S Ram and Mr S Prasad being the other members. The Committee met on 7.11.2014 and 30.3.2015. The attendance of each member of the Committee are given below:-

Name	Category	No. of Meetings	
		Held	Attended
Mr S Viji, Chairman	Non-Executive	2	2
Mr S Ram	Executive	2	2
Mr S Prasad	Independent	2	2

The Board has authorized Mr S Srivathsan, the Secretary of the Company to approve share transfers and request for dematerialization of shares, when received in physical forms.

Mr S Srivathsan, CFO & Secretary is the Compliance Officer.

No. of pending complaints during the start of the financial year	1
No. of Shareholders' complaints received during the year	23
No. not solved to the satisfaction of shareholders	Nil
No. of pending complaints	Nil

6. Corporate Social Responsibility Committee

In terms of Section 135 of the Companies Act, 2013, the Board of Directors at its meeting held on July 16, 2014 constituted the CSR Committee. Mr Srivats Ram, is the Chairman of the Committee and the other members of the Committee are Mr S Viji, Mr S Prasad and Mr Aroon Raman. The Committee met on 31.7.2014 and 3.2.2015. The attendance of each member of the Committee are given below :-

Name	Category	No. of Meetings	
		Held	Attended
Mr Srivats Ram, Chairman	Executive	2	2
Mr S Viji	Non-Executive	2	1
Mr S Prasad	Independent	2	2
Mr Aroon Raman	Independent	2	2

7. Independent Directors' Meeting

During the year under review, the Independent Directors met on March 7, 2015 inter alia, to evaluate the performance of Non-Independent Directors, Chairman and the Board of Directors as a whole. Evaluation was done on the basis of attendance, quality of discussion in the meetings, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the Meeting.



8. Shareholder Information - Details of Annual/Extraordinary General Meetings

Year		
2013-14	Date	8-9-2014
	Location	The Music Academy No.168, (old no. 306), TTK Road, Chennai 600 014
	Time	11.00 AM
	Special Resolution Passed	a) Amendment to the Articles of Association to increase the maximum number of Directors to Ten.
		b) Re-appointment of Mr S Ram (DIN 00018309) as Whole Time Director, designated as Executive Chairman liable to retire by rotation.
		c) Approval for borrowing of moneys under the Companies Act, 2013 upto Rs 400 crores
	d) Approval for creation / modification of charge, mortgage on the assets of the Company under the Companies Act, 2013 and the Rules framed thereunder to the extent of Rs 400 crores.	
	e) Approval for acceptance of deposits under the Companies Act, 2013 and the Rules framed thereunder.	
2012-13	Date	13-08-2013
	Location	The Music Academy, No.168, (old no. 306), TTK Road, Chennai 600 014
	Time	11.00 AM
	Special Resolution Passed	–
2011-12	Date	14-08-2012
	Location	The Music Academy, No.168, (old no. 306), TTK Road, Chennai 600 014
	Time	11.00 AM
	Special Resolution Passed	–

9. Postal Ballot

In terms of Clause 35B of the Listing Agreement, the Company provided Postal Ballot facility to the shareholders, in respect of the business set out in the Notice convening Annual General Meeting on 8-9-2014. This was provided to facilitate them to exercise the voting in additional to E-voting facility. The Special resolutions passed as set out in the said AGM notice are mentioned above.

The Board of Directors appointed Mr S Dhanapal, Partner, M/s. S Dhanapal & Associates, Practising Company Secretaries, Chennai as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner. Results of the voting for the resolutions passed at the 55th Annual General Meeting of the Company along with the Scrutinizer Report pursuant to Section 108 & 109 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, are available in the Company's website www.wheelsindia.com.

In terms of Clause 35B of the Listing Agreement, the Company proposes to provide Postal Ballot facility to the shareholders, in respect of business set out in the Notice convening Annual General Meeting to be held on 13-8-2015.

10. Disclosures

Details of transactions entered into with related parties during the year under review have been given in the notes forming part of Accounts and no differential treatment from the accounting standards was followed in preparation of the financial statements of the Company.

There were no instances of non-compliance by the Company on any matter related to capital markets during the preceding three years. Hence, there were no penalties, strictures imposed by SEBI / Stock Exchanges or any other statutory authorities against the Company. The Company complies with all mandatory requirements.

11. Disclosures regarding appointment of Directors

Name of the Director	Mr S Viji
Age	69 years
Qualification	B.Com, A.C.A, M.B.A (University of Michigan, Ann Arbor)
Expertise in specific functional areas	Has over four decades of experience in financial services and automotive industries. He has been on our Board since July 31, 1986
Directorship in other Companies	Chairman: Sundaram Finance Ltd, Sundaram BNP Paribas Home Finance Ltd.; Managing Director: Brakes India Private Ltd.; Director: BIH Braking Company Ltd, Royal Sundaram Alliance Insurance Company Ltd, Sundaram Dynacast Pvt Ltd, Sundaram Industries Pvt Ltd, Sundaram Trustee Company Ltd, T V Sundram Iyengar & Sons Pvt Ltd.
Chairman/Member in Committees of other companies:	NIL

Name of the Director	Mr S. Ram
Age	75 years
Qualification	Mechanical Engineer from Guindy Engineering College, Chennai and Master's Degree in production engineering from Birmingham University, UK.
Expertise in specific functional areas	Has over five decades of experience in automotive industry. He has been on our Board since 28.5.1974
Directorship in other Companies	Chairman: Axles India Ltd, India Motors Parts & Accessories Ltd Director: Sundaram Finance Ltd, T V Sundram Iyengar & Sons Pvt Ltd, Sundaram Industries Pvt Ltd, Southern Roadways Ltd, Global TVS Bus Body Builders Ltd, TVS Logistics Services Ltd.
Chairman/Member in Committees of other companies:	Audit Committee: T V Sundram Iyengar & Sons Pvt Ltd, TVS Logistics Services Ltd Nomination and Remuneration Committee: Axles India Limited CSR Committee: Axles India Ltd Stakeholders Relationship Committee : Axles India Ltd

Name of the Director	Mr Christopher Michael Benedict Akers
Age	47 years
Qualification	BE (University of Birmingham), MBA (Warwick Business School)
Expertise in specific functional areas	Started his career at Ford Motor Company and spent a decade in the manufacturing function covering both the Ford and Land Rover brands. He joined Titan Steel Wheels as the Manufacturing Director in 2007 and has been the Managing Director, Wheel Division, Titan Europe from 2010.
Directorship in other Indian Companies	Nil
Chairman/Member in Committees of other Indian companies:	Nil



Name of the Director	Mr Paul G Reitz
Age	42 years
Qualification	Certified Public Accountant with a Master's Business Administration degree from the University of Iowa
Expertise in specific functional areas	Mr Reitz joined Titan International in July 2010 as Chief Financial Officer and was promoted to President in February 2014. Prior to joining Titan, he was the Chief Accounting Officer for Carmike Cinemas, a NASDAQ publicly traded company based in Columbus, GA. He was controller for McLeodUSA Publishing, a NASDAQ traded company, and Yellow Book USA Inc., a subsidiary of the Yell Group PLC, a global publisher with multi-billion dollar sales that is publicly traded on the London Stock Exchange prior to joining Carmike.
Directorship in other Indian Companies	Nil
Chairman/Member in Committees of other Indian companies:	Nil

12. Whistle Blower Policy

Vigil mechanism encourage the Whistle blowers of the Company to report unethical business practices at workplace without any fear of reprisal. The employees are encouraged to report, any fraudulent financial or other information to the stakeholders, any conduct that results in the instances of unethical behavior, actual or suspected violation of the Company's Code of Conduct and ethics, which may come to their knowledge. The policy framed by the company:

1. encourages the Whistle blowers to report to the Management on any malpractice, wrongful conduct, unethical behavior, fraud, violation of any applicable statute and deviation from the Company's policies,
2. ensures timely response to such reports in such a manner to provide complete transparency,
3. provides complete protection to the Whistle blowers from any adverse action as a result of such disclosure and
4. builds and strengthens trust in the Company

13. Means of Communication

Quarterly Unaudited and Annual Audited financial results are published in Business Line (English) and Dinamani (Tamil – vernacular) or Hindu (Tamil Edition) within the stipulated time.

The Unaudited quarterly results and the Annual audited results are also displayed on the Company's website www.wheelsindia.com. The above information and other communication are sent to Stock Exchanges.

A separate dedicated section on the Company's website gives information on unclaimed dividends, quarterly compliance reports and other relevant information of interest to the investors / public.

14. Details of Unclaimed Share Certificates

In terms of Clause 5A of the Listing Agreement, the Company had transferred 6523 equity shares comprised in the Share Certificates, which have remained undelivered into one Folio in the name of Wheels India Limited Unclaimed Suspense Account. In accordance with the said clause the following information are provided:-

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	39 and 6523 equity shares of Rs.10 each respectively
Number of shareholders who approached issuer for transfer of shares from suspense account during the year	Nil
Number of shareholders to whom shares were transferred from suspense account during the year	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	39 and 6523 equity shares of Rs.10 each respectively

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

15. General Shareholder Information

Date of Annual General Meeting	August 13, 2015
Time	11.00 AM
Venue	The Music Academy, New No. 168 (Old No. 306), T.T.K. Road, Chennai – 600 014
Date of Book Closure	1st August 2015 to 13th August 2015 (both days inclusive)
Dividend Payment Date	Will be paid on or before September 10, 2015 – Rs.4.50 per share (45%)
Approval of financial results for the: Quarter ending June 30, 2015 Quarter ending September 30, 2015 Quarter ending December 31, 2015 Year ending March 31, 2016	1st / 2nd Week of August 2015 2nd week of November 2015 2nd week of February 2016 Last week of May 2016
Listing on Stock Exchanges	The equity shares of the Company are listed on the National Stock Exchange of India Ltd (NSE). Further, the Company's equity shares have been permitted for dealings on Bombay Stock Exchange Limited (BSE) under "Permitted Securities" Category.
Listing Fees	Payment towards Listing Fee to NSE is made as and when it falls due.
ISIN Code in NSDL and CDSL	INE 715A01015
STOCK Code	WHEELS – NSE 590073 -BSE
Registrar and Share Transfer Agent	Cameo Corporate Services Limited, "Subramanian Building", 1, Club House Road, Chennai - 600 002. Phone: 044 - 28460390 ; Fax: 044 – 28460129 E - Mail: investor@cameoindia.com
Share Transfer System	Share Transfers which are received in physical form are processed and the share certificate returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company's Registrar and Share Transfer Agent are entrusted with the work relating to share registry in terms of both physical and electronic mode.
Dematerialisation of shares and liquidity	According to SEBI guidelines, the shares of the Company are to be traded in the demat form with effect from 26.03.2001. M/s Cameo Corporate Services Ltd., are the Registrars of the Company for establishing connectivity with NSDL and CDSL to facilitate dematerialization of the shares held by the Members. As on 31.03.2015, 97.84.% of the equity shares are held in dematerialized form.
Pattern of Shareholding as on March 31, 2015	Data in statement form – forming part of this Report
Distribution of shareholding as on March 31, 2015	Data in statement form – forming part of this Report
Share Performance	NSE Vs Index Graph form - forming part of this Report
Share Price Data – High/Low	NSE – Data in statement form – forming part of this Report



Address for Investors' correspondence	Registrar and Share Transfer Agents:- Cameo Corporate Services Limited, "Subramanian Building", No. 1, Club House Road, Chennai - 600 002, Phone : 044 - 28460390 Fax : 044 - 28460129 E - Mail : investor@cameoindia.com
	Investor Correspondence / Compliance Officer Mr S Srivathsan, Chief Financial Officer & Company Secretary Wheels India Limited, Padi Chennai - 600 050 Phone: 044 - 26258511 Extn: 2003, Fax : 044 - 26257121, E- Mail: investorservices@wheelsindia.com

16. Plant locations

Padi, Chennai – 600 050, Tamil Nadu	22KM Rampur – Tanda Road, Rampur–244 925 Uttar Pradesh	Plot No. C - 1, Ranjangaon Growth Centre, Karegaon Village, Shirur Taluk, Pune District - 412 220 Maharashtra	Plot No.11-18, Sector 7, HSIDC Growth Center, Bawal, Rewari District - 123 501 Haryana
Sriperumbudur, Kanchipuram, District – 602 105 Tamil Nadu	Plot No.56, Sector 11, Integrated Industrial Estate Pantnagar, Udham Singh Nagar -263 153, Uttarakhand	Plot No D-3, Deoli Growth Centre, Deoli MIDC, Taluka Deoli, Wardha District-442 101 Maharashtra	DP No 70 (P), Survey No 214 (P), SIDCO Industrial Estate, Thirumudivakkam, Chennai 600044, Tamil Nadu

17. Auditor's Certificate on Corporate Governance

As required by Clause 49 of the listing agreement, the Auditor's Certificate is forming part of this report

18. Shareholding Pattern:

Categories of Shareholders	No. of shares Held	Percentage
Promoters	90,24,209	75.00
Directors/ Relatives	30,741	0.26
Insurance Companies	1,75,370	1.45
FII	1,458	0.01
Corporate Bodies	8,35,870	6.95
Resident Individuals	12,73,219	10.58
Non-Resident Indians	26,372	0.22
Hindu Undivided Families	27,819	0.23
Clearing Member	6,746	0.06
Banks	1,493	0.01
Mutual Funds	6,28,982	5.23
TOTAL	1,20,32,279	100.00

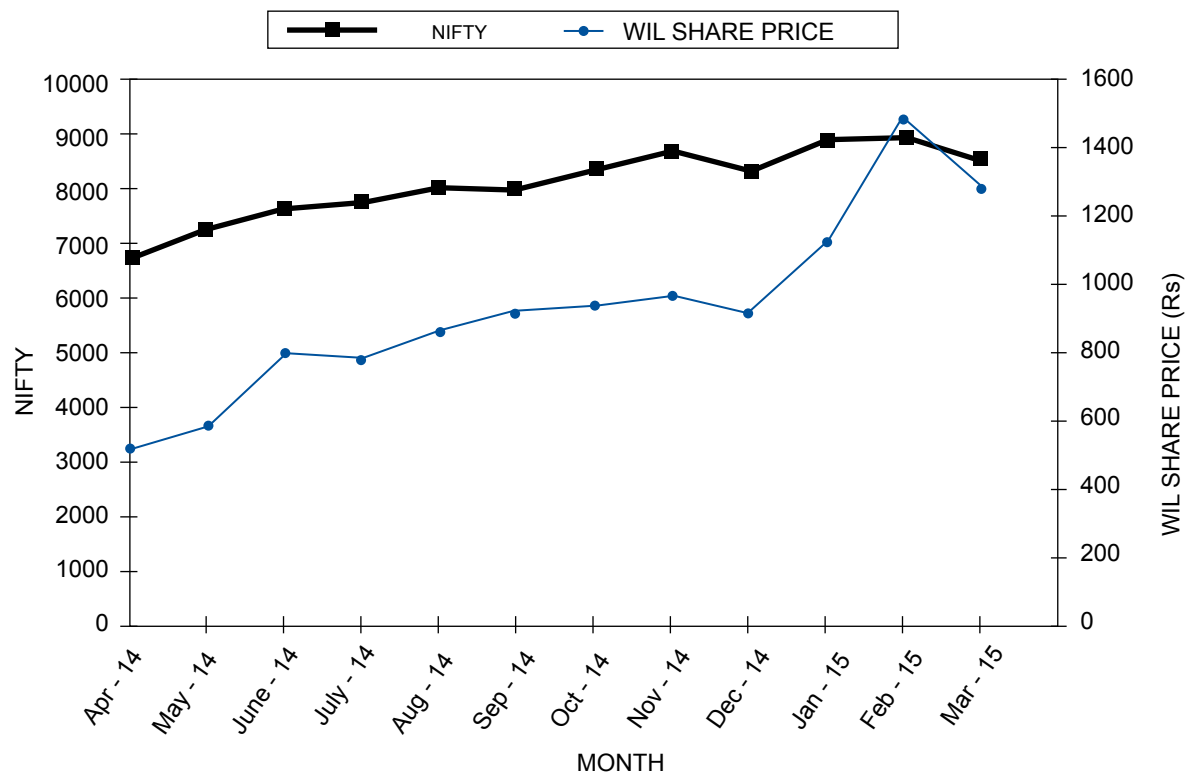
19. Distribution pattern

No. of Shares Held	Shareholders		No. of shares	
	Number	%	Held	%
Upto 500	6,093	91.51	5,06,689	4.21
501 - 1000	287	4.31	2,13,014	1.77
1001 - 2000	155	2.33	2,20,782	1.83
2001 - 3000	44	0.66	1,05,645	0.88
3001 - 4000	26	0.39	91,725	0.76
4001 - 5000	13	0.20	60,118	0.50
5001 - 10000	22	0.33	1,43,121	1.19
10001 and above	18	0.27	1,06,91,185	88.86
Total	6,658	100.00	1,20,32,279	100.00

20. Market price data

FY 2014-15	Quotation at NSE (Rs)	
	HIGH	LOW
Apr-14	574.00	504.30
May-14	626.00	505.00
Jun-14	869.80	585.00
Jul-14	831.00	709.00
Aug-14	917.45	743.30
Sep-14	985.80	848.15
Oct-14	938.90	851.15
Nov-14	1045.60	931.00
Dec-14	978.30	841.15
Jan-15	1208.00	903.15
Feb-15	1606.00	1119.00
Mar-15	1538.00	1080.50

21. Performance in Comparison to broad based indices





22. Following dividends are transferable to the Investor Education and Protection Fund (IEPF) on the respective dates, as under, in accordance with the provisions of Section 205 A (5) of the Companies Act, 1956.

Nature of Dividend	Transferable to IEPF on
Dividend 2008 - 09	18th September, 2016
Dividend 2009 – 10	17th September, 2017
Dividend 2010 – 11	14th September, 2018
First Interim Dividend 2011 - 12	19th April, 2019
Final Dividend 2011 – 12	18th September, 2019
Dividend 2012 – 13	17th September, 2020
Interim Dividend 2013 – 14	29th January, 2021
Dividend 2014	14th October 2021
Interim 2014-15	11th March 2022

On behalf of the Board of Directors

Chennai
May 18, 2015

S Ram
Chairman
(DIN 00018309)

Code of Conduct Certification

The Board of Wheels India Limited laid down a code of conduct for all Board members and Senior Management. The Code of Conduct has been posted in the Company's website www.wheelsindia.com. All the Board members and the Senior Management affirmed compliance to the code for the year 2014-15.

Place: Chennai
Date: May 11, 2015

Srivats Ram
Managing Director
(DIN 00063415)

Auditor's Certificate on Corporate Governance

To the Members of WHEELS INDIA LIMITED

We have examined the compliance of conditions of Corporate Governance by Wheels India Limited, for the year ended on 31.3.2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further 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.

For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No: 004207S)

K. Srinivasan
Partner
Membership No.5809

Place : Chennai
Date : May 18, 2015

Annexure VI

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2015

[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,
WHEELS INDIA LIMITED,
CHENNAI

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Wheels India Limited, (hereinafter called the Company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion/understanding thereon.
2. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company, during the audit period covering the financial year ended on March 31, 2015, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required 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, minutes' book, forms and returns filed and other records maintained by the Company and made available to us as given in Annexure I, for the financial year ended on March 31, 2015 according to the applicable provisions of:

- i) The Companies Act, 2013 (the 'Act') and the rules made thereunder and the Companies Act, 1956 and the rules made thereunder as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Investments by Resident Indian;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-
 - 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, 1992;
 - c) 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;

and we have examined the systems and processes in place to ensure compliance with general laws like labour laws, environmental laws etc., considering and relying upon representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under these laws.

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



- i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not applicable)
- ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited.

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

We further report that the related documents that we have come across depict, that the Board of Directors of the Company is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the 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

and

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 and 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

and

majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that, there appear adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period, the Company has sought the approval of its members for:

- Alteration of Articles of Association of the Company under Section 14 of the Companies Act, 2013;
- Borrowing money, where the money to be borrowed together with the money already borrowed may exceed the paid up capital and free reserves of the Company but shall not exceed Rs. 400 Crores under Section 180(1)(c) of the Companies Act, 2013;
- Creating / modifying any mortgage, hypothecation or other charge or encumbrance over the whole or substantially the whole of the Company's undertaking and properties and assets of the Company which borrowings and facilities together with the existing ones shall not exceed an aggregate limit of Rs 400 crores under Section 180(1)(a) of the Companies Act, 2013.
- Re-appointment of Mr S. Ram as Whole-Time Director designated as Executive Chairman who is liable to retire by rotation.
- Appointment of Independent Directors.
- To invite / accept / renew Deposits (secured or unsecured) from its members and/or from public upto the permissible limits prescribed under applicable provisions of the Act and the rules framed thereunder.

We further report that our Secretarial Audit is subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

Place: Chennai
Date : 18.05.2015

For S Dhanapal & Associates
S. Dhanapal
(Partner)
FCS 6881
CP No. 7028

This Report is to be read with our testimony of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

- TO
THE MEMBERS, WHEELS INDIA LIMITED, CHENNAI
Our report of even date is to be read along with this supplementary testimony.
- a. 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.
 - b. We have followed the audit practices and processes that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a 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.
 - c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
 - d. Where ever required, we have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc.
 - e. The Compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
 - f. The Secretarial Audit is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company.

Place: Chennai

Date: 18.05.2015

For **S Dhanapal & Associates**

S. Dhanapal

(Partner)

FCS 6881, CP No. 7028

Annexure I

List of Documents Reviewed

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March, 2014.
3. Minutes of the meetings held during the financial year under report and attendance registers of i. Board of Directors, ii. Audit Committee, iii. Nomination & Remuneration Committee, iv. Share Transfer Committee, v. Stakeholders' Relationship Committee vi. CSR Committee vii. Risk Management Committee
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
 - i. Register of Members, ii. Register of Transfers, iii. Register of Contracts or arrangements in which directors are interested iv. Registers of Companies and firms in which directors are interested, v. Register of Charges, vi. Register of Directors, KMP and their shareholding, vii. Register of Loans and Investments made by the Company.
6. Notices and Agenda papers for the Board Meetings and Committee Meetings.
7. Notices and explanatory statements for General Body Meetings
8. Declarations received from the Directors of the Company pursuant to the provisions of Sections 149, 164 and 184 of the Companies Act, 2013.
9. e-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the financial year under report.
10. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report.
11. Documents related to payments of dividend made to its shareholders during the financial year under report.
12. Documents relating to Labour Laws and Environmental Laws.
13. Internal Audit reports of the Company
14. Financial Statements for the year ended 31st March 2015



Annexure VII

Extract of Annual Return

as on the financial year ended on 31.3.2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L35921TN1960PLC004175
ii	Registration Date	June 13, 1960.
iii	Name of the Company	Wheels India Limited
iv	Category / Sub-Category of the Company	Public Limited Company
v	Address of the Registered office and contact details	Registered office: 21, Patullos Road Chennai 600 002 Corporate Office: Padi Chennai 600 050 Phone: 044 – 26258511; Fax : 044 – 26257121 E- Mail: investorservices@wheelsindia.com
vi	Whether listed company	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Cameo Corporate Services Limited "Subramanian Building", No. 1, Club House Road, Chennai - 600 002, Phone : 044 - 28460390 Fax : 044 – 28460129 E - Mail : investor@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

S. No	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Manufacture of Road Wheels	29301	52.98%
2	Manufacture of Parts & Accessories for Machinery / Equipments used by construction and mining industries	28246	16.71%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name and address of the company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Axles India Limited	U27209TN1981PLC008630	Associate	9.51	Section 2(6) of the Companies Act 2013
2	Sundaram Hydraulics Limited	U71290TN2007PLC065658	Associate	37.50	Section 2(6) of the Companies Act 2013

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	-	-	-	-	-	-	-	-	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	49,05,569	-	49,05,569	40.77	49,05,569	-	49,05,569	40.77	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	49,05,569	-	49,05,569	40.77	49,05,569	-	49,05,569	40.77	
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	41,18,640	-	41,18,640	34.23	41,18,640	-	41,18,640	34.23	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	41,18,640	-	41,18,640	34.23	41,18,640	-	41,18,640	34.23	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	90,24,209	-	90,24,209	75.00	90,24,209	-	90,24,209	75.00	-
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	1,34,921	-	1,34,921	1.12	6,28,982	-	6,28,982	5.23	4.11
(b) Banks/FI	2,791	-	2,791	0.02	1,493	-	1,493	0.01	(0.01)
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt (s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	1,81,736	-	1,81,736	1.51	1,75,370	-	1,75,370	1.46	(0.05)
(g) FIs	-	-	-	-	1,458	-	1,458	0.01	0.01
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	3,19,448	-	3,19,448	2.65	8,07,303	-	8,07,303	6.71	4.06



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change during the Year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
2)	Non-Institutions									
(a)	Bodies Corp.									
i.	Indian	8,74,496	47,847	9,22,343	7.67	7,96,804	39,066	8,35,870	6.94	(0.73)
ii.	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
i.	Individual shareholders holding nominal share capital up to Rs. 1 lakh	12,43,602	2,56,658	15,00,260	12.47	9,98,174	2,06,848	12,05,022	10.01	(2.46)
ii.	Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	11,050	11,050	0.09	50,624	11,050	61,674	0.51	0.42
(c)	Others (Specify)									
	Clearing member	1,50,118	-	1,50,118	1.25	6,746	-	6,746	0.05	(1.20)
	Directors and their relatives	30,741	-	30,741	0.26	30,741	-	30,741	0.26	-
	Escrow Account – Clause 5A of the Listing Agreement	6,523	-	6,523	0.05	6,523	-	6,523	0.05	-
	Hindu Undivided Families	48,884	-	48,884	0.40	27,819	-	27,819	0.23	(0.17)
	Non-resident Indians	16,529	2,174	18,703	0.16	24,198	2,174	26,372	0.22	0.06
	Sub-Total (B)(2)	23,70,893	3,17,729	26,88,622	22.35	19,41,629	2,59,138	22,00,767	18.29	(4.06)
	Total Public Shareholding = (B) (1) + (B) (2)	26,90,341	3,17,729	30,08,070	25.00	27,48,932	2,59,138	30,08,070	25.00	-
C.	Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	1,17,14,550	3,17,729	1,20,32,279	100.00	1,17,73,141	2,59,138	1,20,32,279	100.00	-

(ii) Shareholding of Promoters:

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change during the Year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	T V Sundram Iyengar & Sons Private Limited	24,55,514	20.41	Nil	24,55,514	20.41	Nil	Nil
2	Sundaram Finance Limited	13,33,741	11.08	Nil	13,33,741	11.08	Nil	Nil
3	Southern Roadways Limited	11,16,314	9.28	Nil	11,16,314	9.28	Nil	Nil
4	Titan Europe Limited	41,18,640	34.23	Nil	41,18,640	34.23	Nil	Nil
	Total	90,24,209	75.00	Nil	90,24,209	75.00	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year	90,24,209	75.00	90,24,209	75.00
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	90,24,209	75.00	90,24,209	75.00

There is no change in Promoters' Shareholding



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name of the Share holder	No of shares	% of total shares of the company	Cumulative No. of shares	% of total shares of the company
1.	RELIANCE CAPITAL TRUSTEE CO. LTD. A/C RELIANCE TAX SAVER (ELSS) FUND				
	At the beginning of the year 31 March, 2014	1,34,021	1.11	1,34,021	1.11
	Purchase 04-Apr-2014	1,91,297	1.59	3,25,318	2.70
	Purchase 11-Apr-2014	39,877	0.33	3,65,195	3.04
	Purchase 25-Apr-2014	900	0.01	3,66,095	3.04
	Purchase 08-Aug-2014	42,714	0.35	4,08,809	3.40
	Purchase 14-Aug-2014	9,094	0.08	4,17,903	3.47
	Purchase 22-Aug-2014	7,113	0.06	4,25,016	3.53
	Purchase 05-Sep-2014	17,329	0.14	4,42,345	3.68
	Purchase 12-Sep-2014	7,409	0.06	4,49,754	3.74
	Purchase 19-Sep-2014	12,845	0.11	4,62,599	3.84
	Purchase 07-Nov-2014	21,684	0.18	4,84,283	4.02
	Purchase 14-Nov-2014	10,717	0.09	4,95,000	4.11
	Purchase 31-Mar-2015	2,522	0.02	4,97,522	4.13
	At the end of the Year 31-Mar-2015	4,97,522	4.13	4,97,522	4.13
2.	RELIANCE CAPITAL TRUSTEE CO. LTD - A/C RELIANCE SMALL CAP FUND**				
	At the beginning of the year 31-Mar-2014	-	-	-	-
	Purchase 23-May-2014	54,888	0.46	54,888	0.46
	Purchase 30-May-2014	26,491	0.22	81,379	0.68
	Purchase 06-Jun-2014	12,754	0.11	94,133	0.78
	Purchase 13-Jun-2014	17,924	0.15	1,12,057	0.93
	Purchase 20-Jun-2014	18,369	0.15	1,30,426	1.08
	Sale 30-Jun-2014	-4,009	-0.03	1,26,417	1.05
	Purchase 14-Aug-2014	5,000	0.04	1,31,417	1.09
	At the end of the Year 31-Mar-2015	1,31,417	1.09	1,31,417	1.09
3.	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year 31-Mar-2014	1,81,736	1.51	1,81,736	1.51
	Sale 23-Jan-2015	-323	0.00	1,81,413	1.51
	Sale 30-Jan-2015	-6,043	-0.05	1,75,370	1.46
	At the end of the Year 31-Mar-2015	1,75,370	1.46	1,75,370	1.46
4.	MAHAM HOLDINGS PRIVATE LIMITED				
	At the beginning of the year 31-Mar-2014	1,90,553	1.58	1,90,553	1.58
	At the end of the Year 31-Mar-2015	1,90,553	1.58	1,90,553	1.58
5.	SUNDHARAMS PRIVATE LIMITED				
	At the beginning of the year 31-Mar-2014	1,58,808	1.32	1,58,808	1.32
	At the end of the Year 31-Mar-2015	1,58,808	1.32	1,58,808	1.32

S. No.	Name of the Share holder	No of shares	% of total shares of the company	Cumulative No. of shares	% of total shares of the company
6.	ABI SHOWATECH (INDIA) LIMITED				
	At the beginning of the year 31-Mar-2014	1,44,929	1.20	1,44,929	1.20
	At the end of the Year 31-Mar-2015	1,44,929	1.20	1,44,929	1.20
7.	PADMALAKSHMI HOLDINGS PRIVATE LIMITED				
	At the beginning of the year 31-Mar-2014	1,29,645	1.08	1,29,645	1.08
	At the end of the Year 31-Mar-2015	1,29,645	1.08	1,29,645	1.08
8.	REVATHI HOLDINGS PRIVATE LIMITED				
	At the beginning of the year 31-Mar-2014	1,03,803	0.86	1,03,803	0.86
	At the end of the Year 31-Mar-2015	1,03,803	0.86	1,03,803	0.86
9.	NEEPA K SHAH**				
	JT1 : KAMLESH N SHAH				
	At the beginning of the year 31-Mar-2014	-	-	-	-
	Purchase 13-Feb-2015	50,624	0.42	50,624	0.42
	At the end of the Year 31-Mar-2015	50,624	0.42	50,624	0.42
10.	SBI CUSTODIAL SERVICES PVT. LTD. *				
	At the beginning of the year 31-Mar-2014	31,668	0.26	31,668	0.26
	Sale 04-Apr-2014	-31,668	-0.26	-	-
	At the end of the Year 31-Mar-2015	-	-	-	-
11.	EDELCP SECURITIES LIMITED*				
	At the beginning of the year 31-Mar-2014	21,619	0.18	21,619	0.18
	Sale 04-Apr-2014	-21,619	-0.18	-	-
	At the end of the Year 31-Mar-2015	-	-	-	-
12.	CITIBANK N.A.*				
	At the beginning of the year 31-Mar-2014	12,874	0.11	12,874	0.11
	Sale 04-Apr-2014	-12,874	-0.11	-	-
	At the end of the Year 31-Mar-2015	-	-	-	-
13.	EDELWEISS SECURITIES LTD**				
	At the beginning of the year 31-Mar-2014	206	0.00	206	0.00
	Purchase 04-Apr-2014	33,703	0.28	33,909	0.28
	Purchase 11-Apr-2014	1,679	0.01	35,588	0.30
	Purchase 18-Apr-2014	858	0.01	36,446	0.30
	Purchase 25-Apr-2014	1,108	0.01	37,554	0.31
	Sale 02-May-2014	-656	-0.01	36,898	0.31
	Sale 09-May-2014	-3,981	-0.03	32,917	0.27
	Purchase 09-May-2014	4,036	0.03	36,953	0.31
	Sale 16-May-2014	-21,967	-0.18	14,986	0.12
	Purchase 23-May-2014	19,723	0.16	34,709	0.29
	Purchase 30-May-2014	608	0.01	35,317	0.29



S. No.	Name of the Share holder	No of shares	% of total shares of the company	Cumulative No. of shares	% of total shares of the company
	Sale 13-Jun-2014	-100	0.00	35,217	0.29
	Sale 20-Jun-2014	-2,377	-0.02	32,840	0.27
	Purchase 30-Jun-2014	220	0.00	33,060	0.27
	Purchase 04-Jul-2014	190	0.00	33,250	0.28
	Sale 11-Jul-2014	-23	0.00	33,227	0.28
	Purchase 18-Jul-2014	70	0.00	33,297	0.28
	Sale 25-Jul-2014	-293	0.00	33,004	0.27
	Purchase 30-Jul-2014	18	0.00	33,022	0.27
	Sale 08-Aug-2014	-308	0.00	32,714	0.27
	Sale 14-Aug-2014	-95	0.00	32619	0.27
	Purchase 22-Aug-2014	57	0.00	32,676	0.27
	Sale 29-Aug-2014	-60	0.00	32,616	0.27
	Sale 05-Sep-2014	-70	0.00	32,546	0.27
	Purchase 12-Sep-2014	8,386	0.07	40,932	0.34
	Sale 12-Sep-2014	-8,386	-0.07	32,546	0.27
	Sale 19-Sep-2014	-54	0.00	32,492	0.27
	Purchase 30-Sep-2014	950	0.01	33,442	0.28
	Purchase 10-Oct-2014	20,974	0.17	54,416	0.45
	Sale 10-Oct-2014	-18,974	-0.16	35,442	0.29
	Purchase 17-Oct-2014	50	0.00	35,492	0.29
	Sale 24-Oct-2014	-50	0.00	35,442	0.29
	Sale 24-Oct-2014	-950	-0.01	34,492	0.29
	Sale 07-Nov-2014	-5	0.00	34,487	0.29
	Sale 14-Nov-2014	-2,018	-0.02	32,469	0.27
	Sale 21-Nov-2014	-11	0.00	32,458	0.27
	Purchase 28-Nov-2014	107	0.00	32,565	0.27
	Purchase 05-Dec-2014	5	0.00	32,570	0.27
	Sale 12-Dec-2014	-1	0.00	32,569	0.27
	Purchase 19-Dec-2014	21,504	0.18	54,073	0.45
	Sale 19-Dec-2014	-21,507	-0.18	32,566	0.27
	Purchase 31-Dec-2014	15	0.00	32,581	0.27
	Purchase 09-Jan-2015	707	0.01	33,288	0.28
	Sale 09-Jan-2015	-707	-0.01	32,581	0.27
	Sale 16-Jan-2015	-1	0.00	32,580	0.27
	Purchase 13-Feb-2015	3,957	0.03	36,537	0.30
	Sale 13-Feb-2015	-3,955	-0.03	32,582	0.27
	Purchase 20-Feb-2015	91	0.00	32,673	0.27

S. No.	Name of the Share holder	No of shares	% of total shares of the company	Cumulative No. of shares	% of total shares of the company
	Purchase 24-Feb-2015	97	0.00	32,770	0.27
	Sale 27-Feb-2015	-2	0.00	32,768	0.27
	Purchase 06-Mar-2015	70	0.00	32,838	0.27
	Sale 13-Mar-2015	-102	0.00	32,736	0.27
	Purchase 20-Mar-2015	18	0.00	32,754	0.27
	Purchase 31-Mar-2015	10	0.00	32,764	0.27
	At the end of the Year 31-Mar-2015	32,764	0.27	32,764	0.27

* Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the top 10 shareholders as on 01-04-2014

** Not in the list of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder is one of the top 10 shareholders as on 31-03-2015.

(v) Shareholding of Directors and Key Managerial Personnel

S. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
At the beginning of the year					
1	Mr S Ram	Nil	Nil	Nil	Nil
2	Mr Srivats Ram	26,536	0.220	26,536	0.220
3	Mr S Viji	Nil	Nil	Nil	Nil
4	Mr J M A Akers (upto 30.10.2014)	Nil	Nil	Nil	Nil
5	Mr C M B Akers (from 30.10.2014)	Nil	Nil	Nil	Nil
6	Mr T K Seshadri (upto 8-9-2014)	Nil	Nil	Nil	Nil
7	Mr T S Vijayaraghavan	Nil	Nil	Nil	Nil
8	Mr S Prasad	1,600	0.013	1,600	0.013
9	Mr Aroon Raman	Nil	Nil	Nil	Nil
10	Mr B Santhanam (from 8-9-2014)	Nil	Nil	Nil	Nil
11	Mr S Srivathsan CFO & Secretary	Nil	Nil	Nil	Nil
Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		There is no Increase / Decrease in Shareholding of Directors and KMP during the year for the above Directors and KMP mentioned.			
At the end of the year		As there is no Increase / Decrease in Shareholding during the year, the shareholding of the above Directors and KMP which stood during the beginning of the year remains same as at the end of the year also.			



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Rs in lakhs

Indebtedness at the beginning of the financial year		Secured Loans excluding deposits	Unsecured Loans	Deposits Unsecured	Deposits Unsecured
i)	Principal Amount	24,074.84	349.50	8,741.47	33,165.81
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	52.36	2.25	772.56	827.17
	Total (i+ii+iii)	24,127.20	351.75	9,514.03	33,992.98
Change in Indebtedness during the financial year					
	Addition	7,000.00	5,498.15	405.69	12,903.84
	Reduction	7,169.54	95.03	-	7,264.57
	Net Change	(169.54)	5,403.12	405.69	5,639.27
Indebtedness at the end of the financial year					
i)	Principal Amount	23,855.00	5,754.47	9,313.93	38,923.40
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	102.66	0.40	605.79	708.85
	Total (i+ii+iii)	23,957.66	5,754.87	9,919.72	39,632.25

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Rs in lakhs

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr S Ram, Chairman	Mr Srivats Ram, Managing Director	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48.00	76.80	124.80
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	8.49	7.40	15.89
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	-	64.21	64.21
5	Others - Retirement Benefits	3.60	6.76	10.36
Total (A)		60.09	155.17	215.26
Ceiling as per the Act (10% of Net Profits)				428.08

B. Remuneration to other Directors:

Rs in lakhs

S. No.	Name of Directors	Particulars of Remuneration			Total Amount
		Fee for attending Board / committee meetings	Commission	Others, please specify	
	Independent Directors				
1	Mr T K Seshadri (upto 8.9.2014)	1.60	-	-	1.60
2	Mr T S Vijayaraghavan	1.45	-	-	1.45
3	Mr S Prasad	3.15	-	-	3.15
4	Mr Aroon Raman	2.80	-	-	2.80
5	Mr B Santhanam (from 8.9.2014)	0.45	-	-	0.45
	Total (1)	9.45			9.45
	Other Non-Executive Directors				
1	Mr S Viji	2.15	-	-	2.15
2	Mr J M A Akers (upto 30.10.2014)	0.20	-	-	0.20
3	Mr C M B Akers (from 30.10.2014)	0.20	-	-	0.20
	Total (2)	2.55	-	-	2.55
	Total (B) = (1)+(2)	12.00	-	-	12.00
	Total Managerial Remuneration				227.26
	Overall Ceiling as per the Act (11% of Net Profits)				470.89

C. Remuneration to other Directors Key Managerial Personnel other than MD / MANAGER / WTD:

Rs in lakhs

S. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount
		Mr S Srivathsan, Chief Financial Officer & Company Secretary	
1	Gross Salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	51.09	51.09
(b)	Value of perquisites under section 17(2) Income-tax Act, 1961	2.77	2.77
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit		
	- others, specify	-	-
5	Others - Retirement Benefits	3.37	3.37
	Total	57.23	57.23

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
(A) Company; (B) Directors; (C) Other Officers in Default					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



Annexure VIII

Conservation of Energy

Your Company is implementing Energy conservation activities in all its plant locations. Energy saving projects have been successfully implemented on following themes: Use of Variable Speed Drive for motor, Replacement of inefficient motor with Energy Efficient motor, Optimization of motor capacity, Use of energy efficient lamp like induction lamp, LED lamp, Replacement of inefficient water pump with energy efficient pump and Power factor improvement to reduce energy billing in northern plants.

Usage of wind-electric energy is being continued in Tamil Nadu plants.

- Padi plant's two-thirds of electrical energy need was met through Renewable energy (wind & biomass).
- Sriperumbudur plant's three-fourth of electrical energy need was met through wind energy. Non-conventional fuel (renewable) is utilized for thermal applications in Sriperumbudur and Rampur plants; for reduction of fossil fuel oil consumption.
- Briquette fired thermic fluid heater for paint plant in Sriperumbudur avoids diesel consumption for this application.
- Wood fired gasifier for paint plant in Rampur avoids diesel consumption of thermic fluid heater. In a limited way, Solar thermal energy is utilized in Padi, to reduce consumption of fossil fuel oil.

Technology Absorption

Your Company has strong technology base developed indigenously in innovative product development and manufacturing process. During the year Company filed 3 patents and developed 242 new products. This enabled your company to enhance competitiveness and there by continue its growth in the global business.

Your Company continues to work on technology development indigenously. Your Company introduced Light Weight Wheels and Air Suspension products without compromising on the quality and performance and supplied to Original Equipment Manufacturers (OEM).

Your Company continues to innovate and increase its technology deployment to meet the requirements of its customers in various industry segments and will continue its efforts towards yield improvement, resource optimisation, light weighting and improved performance of its products.

Your Company has been actively engaging in developing new generation light weighting wheels to meet emerging OEM customer requirements on quality, durability and also ensuring cost effectiveness. Your Company's in house development of an innovative disc manufacturing process is well received by OEM and awarded Excellence in Technology award from ACMA during the year 2014. Electronically Controlled Air Suspension Systems (ECAS) were indigenously developed by in-house R&D efforts and introduced in the Van segment.

During the year 2011-12, your Company had entered into a Technical Agreement with Topy Industries, Japan towards process, design and development of steel passenger cars wheels for enhancing the technological capabilities. The said technology is used by the Company in continuous improvement process of acquiring process, design and development technologies. This technology is in the process of getting fully absorbed.

Your Company continues to develop Air Suspension System to various new segments. During the year under review, introduction of Air Suspension System for the Intermediate Commercial Vehicles Segment and Lift Axle System for Trailer were important developments. The technology from Ege Endustri, Turkey for the Lift Axle System for truck has been completely absorbed. The prototype was thoroughly validated by the customer(s) and regular production has commenced during the current financial year.

Expenditure incurred on R & D development

	(Rs in Crores)
Capital	4.60
Revenue	11.93
Total as a percentage of turnover	0.85%

Foreign Exchange Earnings and Outgo:

The Foreign exchange outgo to the Company during the year under review was Rs 100.82 crores and the foreign exchange earned was Rs 372.74 crore.

On behalf of the Board of Directors

Chennai
May 18, 2015

S Ram
Chairman
DIN 00018309

Independent Auditors' Report on the Financial Statements

To the Members of Wheels India Limited

Report on the Financial Statements

We have audited the accompanying financial statements of WHEELS INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in the Note No.41 to the financial statements

In the case of investment in Equity shares of Sundaram Hydraulics Limited, the provision for the diminution in the value of investments amounting to Rs.8.45 crores based on the latest Audited Balance sheet as on 31st March, 2014 is not considered necessary as the Company is of the opinion that the said diminution is temporary in nature in view of the long term business outlook and future growth plans. However as a prudential measure a sum of Rs.1 crore is provided towards diminution in the value of the said investments.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India, in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 of the Order.
2. As required by Section 143(3) of the Act, 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 purposes 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) 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, 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 No. 23 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No: 004207S)

K. Srinivasan
Partner

Chennai
18th May, 2015

Membership No.5809

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- I. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b. These fixed assets have been physically verified by the Management at reasonable intervals. We are informed that no material discrepancies were noticed on such verification.
- II. a. Physical verification of inventory has been conducted at reasonable intervals by the Management.
b. The procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c. The Company is maintaining proper records of inventory and the discrepancies noticed on physical verification which were not material, have been properly dealt with in the books of account.
- III. The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under Section 189 of the Act. Hence, the clauses (iii) (a) and (b) of the Order are not applicable.
- IV. There is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. There is no continuing failure to correct major weaknesses in internal control system.
- V. The Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder with regard to the deposits accepted from the public.
- VI. The Maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act in respect of the two of the products manufactured by the Company and we have broadly reviewed the cost records and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- VII. a. The company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value added tax, Cess and other statutory dues with the appropriate authorities.
b. The disputed Income tax, service tax, Value added tax and property tax aggregating to Rs. 9.48 Crores has not been deposited on account of disputes which are contested in appeals and are pending before Commissioner of Income Tax (Appeals), Central Excise and Service Tax Appellate Tribunal, Joint Commissioner Commercial Tax-Appeal, Appellate Deputy Commissioner – Commercial Taxes and Madras High Court.
c. The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- VIII. The Company has no accumulated losses and has not incurred cash losses during this financial year and in the immediately preceding financial year.
- IX. The Company has not defaulted in repayment of dues to a financial institution or bank.
- X. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
- XI. The term loans were applied for the purpose for which the loans were obtained.
- XII. No fraud on or by the Company has been noticed or reported during the year.

For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No: 004207S)

K. Srinivasan

Chennai
18th May, 2015

Partner
Membership No.5809



ACCOUNTS - 2014-2015

Balance Sheet as at 31st March 2015

Particulars	Note No.	Rs. in Crores	
			As at 31.03.2014
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
a) Share Capital	1	12.03	12.03
b) Reserves and Surplus	2	369.03	351.55
		381.06	363.58
2. Non-current Liabilities			
a) Long-term Borrowings	3	163.12	122.20
b) Deferred tax liabilities (Net)	4	62.82	58.38
c) Other long term liabilities	5	2.03	2.03
d) Long-term provisions	6	2.06	1.95
		230.03	184.56
3. Current Liabilities			
a) Short-term borrowings	7	153.58	135.26
b) Trade payables	8	356.66	309.54
c) Other current liabilities	9	96.33	115.10
d) Short-term provisions	10	26.08	23.75
		632.65	583.65
TOTAL		1,243.74	1,131.79
II ASSETS			
1. Non-current assets			
a) Fixed assets			
(i) Tangible assets	11	507.34	463.09
(ii) Intangible assets	12	2.20	2.25
(iii) Capital Work-in-progress	13	12.50	47.55
b) Non-current investments	14	15.36	16.68
c) Long-term loans and advances	15	30.94	16.28
d) Other non-current assets	16	9.10	6.29
		577.44	552.14
2. Current Assets			
a) Current Investments	17	0.32	0.50
b) Inventories	18	237.66	233.92
c) Trade receivables	19	368.12	302.52
d) Cash and cash equivalents	20	6.94	2.79
e) Short-term loans and advances	21	52.79	39.85
f) Other current assets	22	0.47	0.07
		666.30	579.65
TOTAL		1,243.74	1,131.79
Significant Accounting Policies	A		

S RAM
Chairman

SRIVATS RAM
Managing Director

S PRASAD
Director

S SRIVATHSAN
Chief Financial Officer & Secretary

Chennai
18th May, 2015

As per our report attached
For **SUNDARAM & SRINIVASAN**

Chartered Accountants
(Registration No.:004207S)

K SRINIVASAN
Partner

Membership No.5809

Profit and Loss Statement for the Year Ended 31st March 2015



	Note No.	Rs. in Crores	
		2013-14	
REVENUE FROM OPERATIONS			
Sale of Products		1,941.44	1,793.73
Sale of Services		16.68	12.73
Other operating revenues		183.12	169.22
Revenue from Operations - Gross		2,141.24	1,975.68
Less: Excise Duty {On sale of products Rs.145.68 crores (previous year Rs.137.06 crores); Others Rs. 15.69 crores (previous year Rs.15.47 crores)}		161.37	152.53
Revenue from Operations - Net		1,979.87	1,823.15
Other income	25	2.67	2.00
TOTAL REVENUE		1,982.54	1,825.15
EXPENSES			
Cost of materials consumed	26	1,337.75	1,220.25
Changes in inventories of finished goods, Work-in-progress	27	(10.32)	(7.99)
Employee benefit expense	28	213.31	191.55
Other Expenses	29	289.05	271.79
TOTAL EXPENSES		1,829.79	1,675.60
Earnings before Finance Costs, Tax, Depreciation and Amortisation expenses		152.75	149.55
Finance Costs	30	59.07	55.35
Depreciation and amortisation expenses	11&12	54.14	55.34
Profit before exceptional and extraordinary items and tax		39.54	38.86
Exceptional items		—	—
Profit before extraordinary items and tax		39.54	38.86
Extraordinary items		—	—
Profit before tax		39.54	38.86
Tax expense:			
Current tax		—	8.40
Minimum Alternate Tax		8.29	—
Minimum Alternate Tax Credit entitlement		(4.44)	—
Net Current tax		3.85	8.40
Deferred tax		5.95	2.05
Profit (Loss) for the year		29.74	28.41
Earnings per equity share:	37		
1. Basic		24.72	27.06
2. Diluted		24.72	27.06
Significant Accounting Policies	A		

S RAM
Chairman

SRIVATS RAM
Managing Director

S PRASAD
Director

S SRIVATHSAN
Chief Financial Officer & Secretary

Chennai
18th May, 2015

As per our report attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No.:004207S)
K SRINIVASAN
Partner
Membership No.5809

Notes on Accounts

A Significant Accounting Policies:

i) General:

The financial statements have been prepared on the historical cost convention in accordance with generally accepted accounting principles.

ii) Fixed Assets and Depreciation:

- a) Fixed assets are stated at historical cost net of CENVAT and VAT credits as reduced by accumulated depreciation.
- b) Depreciation on fixed assets has been provided under the straight Line Method, in accordance with Schedule II of Companies Act, 2013.
- c) Leasehold land:
Premium paid on leasehold land is amortised over the lease period.
- d) The cost of software relating to ERP is amortised over the estimated useful life viz. 5 years. The cost of other intangible assets are amortised over the estimated useful life viz. 3 years.
- e)
 - i) The expenditure during construction period relating to the new projects till the commencement of commercial production is capitalised and allocated to fixed assets.
 - ii) In accordance with AS 16 - Borrowing costs issued by the ICAI, the borrowing costs attributable to the new projects are capitalised till the commencement of commercial production and included in expenditure during construction period and allocated to fixed assets and other borrowing costs are recognised in the year in which it is incurred.

iii) Investments:

- a) Long term investments are stated at cost less provision for diminution other than temporary if any, in value of such investments.
- b) Current investments are stated at the lower of cost and fair value.

iv) Inventories:

The stock of raw materials, stores, loose tools and goods in transit are valued at cost (net of CENVAT and VAT credits on weighted average basis). The stock of finished goods and work-in-process are valued at cost (net of CENVAT and VAT credits including appropriate overheads) or market value whichever is lower.

v) Revenue recognition

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred. Service revenues are recognised when services are rendered. Interest income is recognised on time proportion basis. Dividend income is recognised when rights to receive payment is established.



vi) Staff terminal benefits:

a) Provident Fund:

Eligible employees receive benefits from Provident Fund which is defined contribution plan. Both, the employees and the Company make monthly contributions to the regional provident fund authorities/ Company's Employees Provident Fund Trust, equal to specified percentage of eligible covered employees salary. The Company has no other obligations than the monthly contributions.

b) Gratuity:

The gratuity plan provides for a lump sum payment to vested employees eligible for gratuity at the time of retirement, death, incapacity or termination of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation as at the Balance Sheet date based upon which the Company contributes all the ascertained liabilities to LIC, who is the administrator of the plan.

c) Superannuation:

Eligible employees receive benefit from Superannuation at the time of retirement, death or leaving the services. The Company makes an annual contribution to LIC of India, equal to a specific percentage of the eligible employee's basic salary. Apart from this, the Company has no other obligation under this head.

d) Unencashed Leave Salary:

Unencashed leave salary is accounted on actuarial valuation and the Company contributes part of the ascertained liabilities to SBI Life Insurance Company Limited, who is the administrator of the plan.

vii) Research & Development expenses:

Revenue expenditure on Research & Development is charged to profit & loss account in the year in which it is incurred.

viii) Foreign Currency Transactions:

The exchange differences arising on reporting of Long Term Foreign Currency Monetary Items at rates different from those at which the transactions were initially recorded during the financial year, in so far as they relate to depreciable capital assets are added to or deducted from the cost of the asset and are depreciated over the balance life of the asset and in other cases are accumulated in Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term asset / liability but not beyond 31st March, 2020.

Foreign currency transactions other than the above items outstanding at the year end are accounted for at year end rates and the profit / loss so determined and also the realised exchange gains / losses are recognized in the Profit and Loss statement. In respect of Forward Exchange contracts, the difference between the forward rate and the exchange rate at the date of inception of the contract is recognized as

income or expense over the period of the contract. Any profit or loss arising on cancellation or renewal of such forward exchange contracts is recognized as income or expense for the year.

ix) Export Incentives:

Export incentives are recognised as revenue as and when exports are made.

x) Derivative Contracts:

The profit/loss arising on derivative contracts is accounted for as income/expenditure on the date of settlement of the contract.

The outstanding derivative contracts are revalued at the end of the year and while the net loss arising there from is debited to profit and loss account, the net unrealised gain is ignored, except in case where they relate to borrowing costs that are attributable to the acquisition of Fixed Assets, in which case they are adjusted to the carrying cost of such fixed assets.

xi) Operating Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the revenue account as per the lease terms.

xii) Earnings Per Share:

Earnings Per Share (EPS) is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by weighted average number of equity shares outstanding during the year.

xiii) Taxes on Income:

Current tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences; being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Other deferred tax assets are recognised if there is reasonable certainty that there will be sufficient future taxable income available to realise such assets.

xiv) Provisions and Contingencies:

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligations. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.



Rs. in Crores

1 SHARE CAPITAL

	As at 31.03.2015	As at 31.03.2014
a) Authorised 2,00,00,000 Equity Shares of Rs.10/- each	20.00	20.00
b) Issued, Subscribed and Fully Paid-up 1,20,32,279 Equity Shares of Rs.10/- each	12.03	12.03

c) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:**

	2014 - 15		2013 - 14	
	No. of shares	Rs. in Crores	No. of shares	Rs. in Crores
Equity Shares of Rs.10/- each				
Outstanding at the beginning of the year:	120,32,279	12.03	98,69,444	9.87
Add: Issue of Shares on rights basis	-	-	21,62,835	2.16
Outstanding at the end of the year	120,32,279	12.03	120,32,279	12.03

d) **Rights, Preferences and Restrictions**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each member is entitled to one vote by show of hands and while on poll, every shareholder is entitled to vote in proportion to their holdings.

	31.03.2015 (Number of shares)	31.03.2014 (Number of shares)
e) Shareholding of shareholders holding more than 5% of shares as at		
T V Sundram Iyengar & Sons Private Limited	24,55,514	24,55,514
Southern Roadways Limited	11,16,314	11,16,314
Sundaram Finance Limited	13,33,741	13,33,741
Titan Europe Limited, UK	41,18,640	41,18,640

Notes on Accounts (Contd.)

	Rs. in Crores			
	As at 31.03.2015		As at 31.03.2014	
2 RESERVES AND SURPLUS				
a) Capital Reserves				
As per last Balance Sheet	—		—	
b) Securities Premium Reserve				
As per last Balance Sheet	82.13		—	
Additions				
On 21,62,835 equity shares issued on rights basis at Rs 390/- per share			84.35	
Less: Shares issue expenses of rights shares	—		2.22	
	<u>82.13</u>		<u>82.13</u>	
c) General Reserves				
As per last Balance Sheet	262.21		244.21	
Additions	18.00		18.00	
	<u>280.21</u>		<u>262.21</u>	
Less : carrying cost of fixed assets as on 01.04.2014 where remaining useful life was NIL (Net of Deferred tax of Rs. 1.51 crores)	<u>2.93</u>	277.28	—	262.21
d) Surplus				
As per last Balance Sheet	8.74		8.87	
Add: Profit for the year	29.74		28.41	
	<u>38.48</u>		<u>37.28</u>	
Less:				
Interim Dividend @ Rs.3.00 per share (Previous year @ Rs. 4.00 per share)	3.61		3.95	
Dividend Tax on interim dividend	0.72		0.67	
Proposed final equity dividend Rs 4.50 per share (previous year @ Rs.4.20 per share)	5.42		5.06	
Dividend Tax on proposed equity dividend	1.10		0.86	
Transfer to General Reserves	18.00		18.00	
	<u>28.85</u>	9.63	<u>28.54</u>	8.74
e) Foreign Currency Monetary Items				
Translation Difference Account	(0.01)		(1.53)	
	<u>369.03</u>		<u>351.55</u>	



	Rs. in Crores	
	As at 31.03.2015	As at 31.03.2014
NON CURRENT LIABILITIES		
3 LONG TERM BORROWINGS		
A. SECURED BORROWINGS		
a. Term Loans from Banks		
By first Charge by way of hypothecation of specific machinery	64.00	48.74
b. Term Loans from others		
By first Charge by way of hypothecation of specific machinery	38.75	25.00
B. UNSECURED BORROWINGS		
a. Deferred payment liabilities	1.59	2.55
From State Government under Interest Free Sales tax Deferral Scheme		
b. Fixed Deposits	58.78	45.91
	163.12	122.20
Terms of Repayment	Refer to Note no.24	
4 DEFERRED TAX LIABILITIES (NET)		
a) Deferred Tax Liability		
i) Depreciation	64.55	59.07
ii) Exchange difference on Long Term Foreign Currency Monetary Item	0.01	0.52
	64.56	59.59
b) Deferred Tax Asset		
Expenses allowable for tax purpose on payment basis	1.74	1.21
	62.82	58.38

Notes on Accounts (Contd.)

	Rs. in Crores	
	As at 31.03.2015	As at 31.03.2014
5 OTHER LONG TERM LIABILITIES		
Security Deposits	2.03	2.03
	<u>2.03</u>	<u>2.03</u>
6 LONG TERM PROVISIONS		
Provision for employee benefits	2.06	1.95
	<u>2.06</u>	<u>1.95</u>
CURRENT LIABILITIES		
7 SHORT TERM BORROWINGS		
A. SECURED BORROWINGS		
a) Loans repayable on demand from Banks Secured by hypothecation by way of first charge on all movable assets present and future, consisting of stock of raw materials, work-in- process, finished goods, consumable stores and spares, goods-in-transit and book debts.	92.89	126.27
B. UNSECURED BORROWINGS		
a) Loans repayable on demand from Banks	55.00	-
b) Fixed Deposits	5.69	8.99
	<u>153.58</u>	<u>135.26</u>
8 TRADE PAYABLES		
Dues to Micro, Small and Medium Enterprises	1.14	5.26
Dues to others	355.52	304.28
	<u>356.66</u>	<u>309.54</u>



Rs. in Crores

	As at 31.03.2015	As at 31.03.2014	
9 OTHER CURRENT LIABILITIES			
a) Current maturities of long-term debt (Refer note 24)	72.53		74.20
b) Interest accrued but not due on borrowings	5.69		7.42
c) Unclaimed dividends	0.19		0.17
d) Share Application money received for allotment of securities and due for refund	-		0.08
e) Unclaimed matured deposits and interest accrued thereon	1.40		0.85
f) Other payables			
Statutory dues	4.18	3.14	
Trade Deposits	0.71	0.85	
Recovery from Employees	0.93	0.72	
Creditors for capital goods [includes due to MSME Rs.0.03 crores (previous year Rs.0.67 crores)]	5.72	6.43	
Advance from customer	-	14.47	
Provision for expenses	3.70	5.82	
Provision for Excise duty on Finished Goods Stock	1.28	0.95	32.38
	96.33		115.10
10 SHORT TERM PROVISIONS			
a) Provision for employee benefits	17.55		13.60
b) Due to Directors	0.64		0.58
c) Others			
Provision for Taxation less Advance Tax and Tax Deducted at Source	1.37	6.48	
Less:			
Minimum Alternate Tax Credit entitlement set off	-	2.82	3.66
Provision for Dividend	5.42		5.05
Provision for Dividend Tax	1.10		0.86
	26.08		23.75

NON CURRENT ASSETS - FIXED ASSETS

Rs. in Crores

Description	Gross Block At Cost			Depreciation/Amortisation			Net Block			
	As At 31.3.2014	Additions	Adjustments relating to Foreign Exchange Fluctuations and Borrowing Costs	Deletions	As At 31.3.2015	Additions	Adjustments in Retained Earnings	Deletions	As At 31.3.2015	As At 31.3.2014
11 TANGIBLE ASSETS										
Land (Free hold)	3.72	-	-	-	3.72	-	-	-	3.72	3.72
Land (Lease hold)	6.39	-	-	1.17	5.22	0.05	-	-	4.63	5.85
Buildings	105.81	9.22	-	-	115.03	4.71	0.76	-	83.02	79.27
Plant & Equipment	785.61	91.39	1.65	2.51	876.14	49.93	2.58	2.04	408.22	368.16
Furniture and Fixtures	5.00	0.13	-	0.01	5.12	(0.54)	0.03	0.01	1.91	1.27
Vehicles	0.15	0.01	-	-	0.16	(0.01)	0.00	-	0.03	0.01
Office Equipment	20.24	0.72	-	0.10	20.86	(1.37)	1.07	0.08	5.81	4.81
	926.92	101.47	1.65	3.79	1,026.25	52.77	4.44	2.13	518.91	463.09
12 INTANGIBLE ASSETS										
Computer Software	12.87	1.15	0.07	-	14.09	1.06	-	-	12.05	1.88
Technical Know-how	1.73	0.10	-	-	1.83	0.31	-	-	1.67	0.37
	14.60	1.25	0.07	-	15.92	1.37	-	-	13.72	2.25
Total	941.52	102.72	1.72	3.79	1,042.17	54.14	4.44	2.13	532.63	509.54
Previous year	868.35	84.44	0.96	12.23	941.52	55.34	-	8.79	476.18	465.34

13 CAPITAL WORK-IN-PROGRESS

31.3.2015	31.3.2014
0.12	3.78
12.38	43.77
12.50	47.55

- a) Buildings
b) Plant and Machinery



Notes on Accounts (Contd.)

Rs. in Crores

	As at 31.03.2015	As at 31.03.2014
14 NON CURRENT INVESTMENTS		
A Trade Investments - At cost		
Unquoted		
Investment in Equity instruments		
i) In Associates		
Axles India Limited	2.72	2.72
24,24,661 Equity Shares of Rs.10/- each fully paid-up		
Sundaram Hydraulics Limited	11.25	11.25
1,12,50,000 Equity Shares of Rs.10/- each fully paid-up		
Less: Provision for Diminution in the value of investments	1.00	
	10.25	
	12.97	13.97
ii) Others		
MEFCO Engineers Private Limited	0.20	0.20
20,000 Equity Shares of Rs.100/- each fully paid-up		
Siva Electric Generation Private Limited	0.16	0.16
1,62,172 Equity Shares of Rs.10/- each fully paid-up		
Gamma Green Power Private Limited		
20,28,250 Equity Shares of Rs 10/- each fully paid-up	2.03	2.03
	2.39	2.39
B Non-Trade Investments - At cost		
Unquoted		
Investments in debentures or bonds		
National Highways Authority of India Ltd		
Capital Gains Tax Exemption Bonds	-	
317 Numbers of 54EC Capital Bonds in the nature of debentures of Rs 10,000/- each	-	0.32
	-	0.32
	15.36	16.68
15 LONG TERM LOANS AND ADVANCES		
Unsecured - Considered good		
a) Advances for Capital goods	10.20	2.77
b) Security Deposits	6.05	5.81
c) Loans and advances due by an officer of the company	0.01	0.01
d) Minimum Alternate Tax credit entitlement	11.76	6.22
e) Other loans and advances		
Advances to employees	1.32	1.24
Export incentives receivable	1.32	0.13
Prepaid expenses	0.28	0.10
	2.92	1.47
	30.94	16.28

Notes on Accounts (Contd.)

		Rs. in Crores	
		As at 31.03.2015	As at 31.03.2014
16 OTHER NON CURRENT ASSETS			
Unsecured - Considered good			
Trade Receivables		9.10	6.29
CURRENT ASSETS			
17 CURRENT INVESTMENTS			
Unquoted			
Investments in debentures or bonds (At cost)			
Rural Electrification Corporation Ltd			
Capital Gains Tax Exemption Bonds 500 Numbers of Non Convertible Redeemable Taxable Bonds in the nature of debentures of Rs.10,000/- each		-	0.50
National Highways Authority of India Ltd			
Capital Gains Tax Exemption Bonds 317 Numbers of 54EC Capital Bonds in the nature of debentures of Rs.10,000/- each		0.32	-
		0.32	0.50
18 INVENTORIES - As certified by Managing Director			
a) Raw Materials		107.03	118.95
[(includes Goods in Transit Rs.0.43 Crores (previous year Rs.5.59 crores)]			
b) Work - in - Progress		53.19	48.60
c) Finished goods		24.04	18.31
d) Stores and Spares		37.85	32.88
[includes Goods in Transit Rs.0.15 Crores (previous year Rs.0.09 Crores)]			
e) Loose tools		15.55	15.18
Refer to note no.32		237.66	233.92
19 TRADE RECEIVABLES			
Unsecured - Considered good			
a) Outstanding for a period exceeding six months from the date from which they are due for payment		9.64	7.09
b) Others		358.48	295.43
		368.12	302.52



Notes on Accounts (Contd.)

Rs. in Crores

	As at 31.03.2015		As at 31.03.2014	
20 CASH AND CASH EQUIVALENTS				
a) Balances with Banks				
i) Current Accounts	1.30		2.24	
ii) Fixed Deposits - as Guarantee to Sales Tax Dept.	0.52		–	
iii) Fixed Deposits - Others	–		0.30	
iv) Deposit with Banks for the Public Deposit Repayment Reserve (includes Bank deposits with more than twelve months maturity Rs.0.08 crores)	4.84		–	
v) Unclaimed Dividend Accounts	0.19	6.85	0.17	2.71
b) Cash on hand		0.09		0.08
		6.94		2.79
21 SHORT TERM LOANS AND ADVANCES				
Unsecured - Considered good				
a) Balance with Central Excise authorities		19.33		10.69
b) Others				
VAT receivable	0.62		0.56	
Advances to employees	2.46		3.05	
Export incentives receivable	10.85		11.06	
Advances to Vendors	6.04		5.22	
Prepaid expenses	7.73		6.67	
Sales tax refund receivable	5.54		1.52	
Other Advances	0.22	33.46	1.08	29.16
		52.79		39.85
22 OTHER CURRENT ASSETS				
Interest accrued on deposits and investments		0.47		0.07

Notes on Accounts (Contd.)

	Rs. in Crores	
	As at 31.03.2015	As at 31.03.2014
23 CONTINGENT LIABILITIES AND COMMITMENTS		
i) Contingent Liabilities		
a) Bills discounted with Banks	90.50	107.67
b) Disputed amounts in respect of sales tax, service tax, customs duty, Income Tax and Value Added Tax which are contested in appeal and not provided for [of which a sum of Rs. 0.04 crores (previous year Rs.0.04 crores) paid under protest appears under Long term Loans and Advances in the Balance Sheet]	8.03	1.22
c) Contingent Liability towards demand for enhanced compensation for Land at Bawal, Haryana not provided for	0.96	0.84
ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	19.39	6.88

24 TERMS OF REPAYMENT OF TERM LOANS AND OTHER LOANS

The term loans and other loans are repayable over a period of 1 to 5 years as per the terms of agreement entered into with the Banks / others.



Notes on Accounts (Contd.)

	Rs. in Crores	
	2014-15	2013-14
25 OTHER INCOME		
a) Interest on deposits and advances	1.96	1.51
b) Profit on sale of fixed assets (Net)	–	0.23
c) Dividend Received	0.36	0.11
d) Other non-operating income	0.35	0.15
	2.67	2.00
26 RAW MATERIAL CONSUMPTION		
Raw Material	1,095.87	1,006.77
Components	241.88	213.48
	1,337.75	1,220.25
27 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
a) Opening inventory of Finished Goods	18.31	19.24
Less: Closing inventory of Finished Goods	24.04	18.31
Net change in stock of Finished Goods	(5.73)	0.93
b) Opening inventory of Work - in - Progress	48.60	39.68
Less: Closing inventory of Work - in - Progress	53.19	48.60
Net change in stock of Work - in - Progress	(4.59)	(8.92)
Net change in Finished Goods and Work - in - Progress	(10.32)	(7.99)
Refer to Note 32		

Notes on Accounts (Contd.)

	Rs. in Crores	
	2014-15	2013-14
28 EMPLOYEE BENEFIT EXPENSES		
a) Salaries, Wages, Bonus and Commission	185.60	165.54
b) Contribution to Provident and Other Funds	8.17	7.54
c) Staff Welfare expenses	19.54	18.47
	<u>213.31</u>	<u>191.55</u>
29 OTHER EXPENSES		
Consumption of Stores, tools and spare parts (Refer to Note 31)	71.65	64.84
Power and fuel	95.99	93.17
Rent including Lease Rent	6.52	6.36
Repairs to		
Buildings	7.15	6.38
Machinery	10.24	9.07
Insurance	3.01	3.60
Rates and taxes, excluding taxes on income	2.25	2.01
Directors sitting fees	0.12	0.05
Auditors' remuneration		
Statutory Audit	0.26	0.21
Taxation matters (includes Rs.0.04 Crores for Tax Audit - Last year Rs.0.03 crores)	0.11	0.08
VAT Audit fees	0.01	0.01
Certification fees	0.05	0.04
Reimbursement of expenses	0.06	0.06
Expenditure on Corporate Social Responsibilities	1.04	-
Freight	35.01	28.79
Net Loss on foreign currency transactions and translation (other than exchange loss considered as finance cost)	2.08	1.63
Loss on Sale of fixed assets (Net)	0.13	
Provision for Diminution in the value of investments in equity shares	1.00	
Miscellaneous expenses	52.37	55.49
	<u>289.05</u>	<u>271.79</u>
30 FINANCE COSTS		
a) Interest expense	49.91	46.47
b) Interest on shortfall and other interests under Income Tax Act	(0.17)	0.01
c) Other borrowing costs	1.19	0.46
d) Net (gain)/Loss on foreign currency transactions and translation	8.14	8.41
	<u>59.07</u>	<u>55.35</u>



31 Imported and Indigenous Materials consumed

	2014-15		2013-14	
	% to total Consumption	Value	% to total Consumption	Value
a) Raw Materials				
i) Imported	11.66	127.75	8.63	86.90
ii) Indigenous	88.34	968.12	91.37	919.87
	<u>100.00</u>	<u>1,095.87</u>	<u>100.00</u>	<u>1,006.77</u>
Refer to note no.26				
b) Components				
i) Imported	3.61	8.74	2.15	4.59
ii) Indigenous	96.39	233.14	97.85	208.89
	<u>100.00</u>	<u>241.88</u>	<u>100.00</u>	<u>213.48</u>
Refer to note no. 26				
c) Stores and spares				
i) Imported	4.44	3.18	3.13	2.03
ii) Indigenous	95.56	68.47	96.87	62.81
	<u>100.00</u>	<u>71.65</u>	<u>100.00</u>	<u>64.84</u>
Refer to note no. 29				

32 Details of Sales, Raw Material Consumption and Inventories

Raw Material & Components	2014-15			2013-14		
	Consumption	Closing Stock	Opening Stock	Consumption	Closing Stock	Opening Stock
Steel	1,050.00	80.33	93.54	977.29	93.54	88.78
Aluminium	45.85	3.36	3.65	29.48	3.65	1.95
Bought-out components	212.92	21.04	20.24	195.82	20.24	20.98
Others	28.97	2.30	1.52	17.65	1.52	1.36
	<u>1,337.75</u>	<u>107.03</u>	<u>118.95</u>	<u>1,220.25</u>	<u>118.95</u>	<u>113.07</u>

32 Details of Sales, Raw Material Consumption and Inventories (Contd.)

Rs. in Crores

CLASS OF GOODS	2014-15					2013-14				
	Sales	Closing Stock Finished Goods	Opening Stock Finished Goods	Closing Stock Work In Progress	Opening Stock Work In Progress	Sales	Closing Stock Finished Goods	Opening Stock Finished Goods	Closing Stock Work In Progress	Opening Stock Work In Progress
Wheels for Commercial Vehicles, Passenger Cars, Utility vehicles, Tractors, Earthmoving and construction Equipments	1,576.06	21.96	17.07	41.20	42.28	1,510.71	17.07	17.16	42.28	35.29
Air Suspension	97.74	1.28	0.08	0.56	1.63	80.95	0.08	0.15	1.63	1.52
Others	121.96	0.80	1.16	11.43	4.69	65.01	1.16	1.93	4.69	2.87
	1,795.76	24.04	18.31	53.19	48.60	1,656.67	18.31	19.24	48.60	39.68

Refer to note no.18, 26 and 27



Notes on Accounts (Contd.)

	Rs. in Crores	
	2014-15	2013-14
33 Imports (CIF Value)		
i) Raw Materials	111.70	67.51
ii) Spare Parts	4.03	1.16
iii) Capital Goods	3.37	19.77
34 Expenditure in Foreign Currency		
i) Royalty and Know-how fees (Net of Tax)	2.80	3.35
ii) Commission	3.30	3.16
iii) Interest	1.70	2.78
iv) Others	6.37	4.36
35 Amount remitted in Foreign Currency towards Dividend		
i) Number of Non-Resident Shareholders	1	1
ii) Number of Shares held	41,18,640	41,18,640
iii) Dividend and years to which it relates		
- Interim Dividend 2014-15	1.24	
- Final Dividend 2013-14	1.73	
- Interim Dividend 2013-14		1.65
- Final Dividend 2012-13		3.34
36 Earnings in Foreign Exchange		
Exports (on FOB basis)	402.01	358.56
37 Earnings Per Share		
Net profit as per P&L account	29.74	28.41
Weighted Average Number of Shares	120,32,279	104,98,361
Nominal value per share - Rupees	10.00	10.00
Basic & Diluted earnings per share - Rupees	24.72	27.06
38 The Company has provided Excise duty on Stock of finished goods at the factory and included the same in the valuation of the said inventories. However this has got no impact on the profit for the year	1.28	0.95

39 Depreciation

Depreciation on all fixed assets has been provided in accordance with Schedule II of the Companies Act, 2013

- Accordingly, an amount of Rs. 2.93 crores (Net of deferred tax of Rs.1.51crores) has been recognised in the opening balance of retained earnings where the remaining useful life of the asset is Nil as on 1st April, 2014. In respect of other fixed assets, depreciation for the year ended 31st March, 2015 is higher by Rs. 6.88 Crores with consequential impact on profit.
- Depreciation has been provided on straight line method (SLM) for all Fixed assets as against the policy of providing depreciation on written down value basis / production unit basis for some fixed assets retrospectively as required by Accounting Standard - 6 on "Depreciation Accounting" issued by the Institute of Chartered Accountants of India. The above change has resulted in lower depreciation of Rs. 6.54 Crores for the year ended 31st March, 2015 with consequential impact on profit.

Notes on Accounts (Contd.)

- 40** The Company opted for accounting the exchange differences arising on reporting Foreign Currency Monetary Items in line with the Companies (Accounting Standards) Amendment Rules, 2009 on AS11 notification dated 31st March, 2009 read with Notification dated 11th May, 2011 and Notification dated 29th December 2011 issued by the Ministry of Corporate Affairs.

Consequently, Exchange differences relating to Long Term Foreign Currency Monetary Items (other than Fixed assets) amounting to Rs.0.01 Crores loss {net of amortization Rs. 0.16 Crores} [Previous year Rs. 1.53 Crores loss {net of amortization Rs.11.07 Crores}] are adjusted to Foreign currency Monetary Item Translation Difference Account.

- 41** In the opinion of the management the Long term Investment in Equity shares of Sundaram Hydraulics Limited is considered as strategic in nature and the diminution in the value of the said investment amounting to Rs. 8.45 crores based on the latest audited Balance Sheet of the said Company as on 31st March 2014 is considered as temporary in nature in view of the long term business outlook and future growth plans. Hence no provision is considered necessary. However as a prudential measure, a sum of Rs. 1.00 crore is provided towards diminution in value of the said Investments.

	Rs. in Crores	
	2014-15	2013-14
42 Disclosures required under the “Micro, Small and Medium Enterprises Act, 2006”		
Particulars		
a. Principal amount due to Suppliers under the Act	—	—
b. Interest accrued and due to Suppliers under the Act, on the above amount	—	—
c. Payment made to Suppliers (Other than interest) beyond the appointed day during the year	0.93	2.39
d. Interest paid to Suppliers under the Act (Other than Section 16)	—	—
e. Interest paid to Suppliers under the Act (Section 16)	0.01	0.02
f. Interest due and payable to suppliers under the Act, for payments already made	0.01	0.01
g. Interest accrued and remaining unpaid at the end of the year to Suppliers under the Act	—	—

This information has been given in respect of such vendors to the extent they could be identified as ‘Micro, Small and Medium Enterprises’ on the basis of information available with the Company on which the Auditors have relied upon.



43 Expenditure incurred on Scientific Research and Development

Rs in Crores

	2014-15	2013-14	2012-13
a) Revenue Expenditure	11.93	10.88	8.06
b) Capital Expenditure	4.60	4.72	0.57

44 Employee Benefits

The Company has followed the Accounting Standard 15 (AS-15 revised) "Employee Benefits".

Brief Description of the plans:

The Company has various schemes for long term benefits such as Provident Fund, Superannuation, Gratuity and Earned Leave Encashment. In case of funded schemes, the funds are recognized by the Income Tax Authorities and administered through trustees / Life Insurance Corporation of India. The Company's defined contribution plans are Provident Fund and Employees Pension Scheme (under the provisions of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952) and Superannuation Fund. The Company has no further obligation beyond making the contributions.

In respect of the Employees Provident Fund Scheme, the interest payable by the trust to the beneficiaries as per the rate notified by the government is met by the trust with Contribution from the Company and hence the company has no obligations towards this interest contribution. The liability in respect of leave encashment benefit to staff is determined on the basis of actuarial valuation and provided for accordingly.

Disclosures for the Defined Benefit Plans based on Actuarial Reports as on 31/03/2015 are as under:

	Rs. in Crores			
	Gratuity (funded)		Leave Salary (Partly funded)	
	2014-15	2013-14	2014-15	2013-14
Change in defined benefit obligation				
Opening defined benefit obligation	17.00	16.52	3.74	3.78
Current service cost	1.17	1.15	1.00	0.85
Interest cost	1.36	1.32	0.27	0.26
Actuarial loss / (gain)	(0.07)	(0.06)	0.87	(0.09)
Benefits paid	(1.91)	(1.93)	(1.49)	(1.06)
Closing defined benefit obligation	17.55	17.00	4.39	3.74
Change in fair value of assets				
Opening fair value of plan assets	15.92	14.58	1.79	1.64
Expected return on plan assets	1.43	1.33	0.15	0.09
Actuarial gain / (Loss)	-	-	(0.01)	0.06
Contribution by employer	1.08	1.94	0.40	-
Benefits paid	(1.91)	(1.93)	-	-
Closing fair value of plan assets	16.52	15.92	2.33	1.79

Notes on Accounts (Contd.)

Disclosures for the Defined Benefit Plans based on Actuarial Reports as on 31/03/2015 are as under: (Contd.)

	Rs. in Crores			
	Gratuity (funded)		Leave Salary (Partly funded)	
	2014-15	2013-14	2014-15	2013-14
Amount recognised in the Balance Sheet				
Present value of obligations at year end	17.55	17.00	4.39	3.74
Fair value of plan assets at year end	16.52	15.92	2.33	1.79
Amount now recognised as liability	(1.03)	(1.08)	(2.06)	(1.95)
Net (liability) / asset recognised as on 31st March	(1.03)	(1.08)	(2.06)	(1.95)
Expenses recognised in the Profit & Loss Statement				
Current Service cost	1.17	1.15	1.00	0.85
Interest on defined benefit obligation	1.36	1.32	0.27	0.26
Expected return on plan assets	(1.43)	(1.33)	(0.15)	(0.09)
Net actuarial loss / (gain) recognised in the current year	(0.07)	(0.06)	0.88	(0.15)
Expenses recognised in the Profit & Loss A/c	1.03	1.08	2.00	0.87
Principal actuarial assumptions used				
Discount rate (p.a)	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets (p.a)	8.00%	8.00%	8.00%	8.00%
Attrition rate	1-3%	1-3%	1-3%	1-3%
Salary escalation	5.00%	5.00%	5.00%	5.00%

Amount for the current and previous four years is as follows:

	2014-15	2013-14	2012-13	2011-12	2010-11
Gratuity (Fully Funded)					
Defined Benefit Obligation	17.55	17.00	16.52	14.41	12.33
Plan Assets	16.52	15.92	14.58	12.02	11.60
Surplus / (Deficit)	(1.03)	(1.08)	(1.94)	(2.39)	(0.73)
Experience adjustments on plan liabilities	(0.07)	(0.06)	1.06	1.70	0.04
Experience adjustments on plan assets	-	-	-	-	-



		Rs. in Crores	
		2014-15	2013-14
45	Borrowing costs in accordance with AS16 issued by ICAI		
	Borrowing costs capitalised during the year	1.85	2.85

46 Segment information for the year ended 31st March, 2015 in accordance with AS 17 issued by ICAI

i) Primary segments:

Automotive components is the only reportable segment of the company

ii) Revenue by Geographical Segment:

		Rs. in Crores					
		2014-15			2013-14		
		India	Outside India	Total	India	Outside India	Total
External		1,577.86	402.01	1,979.87	1,464.65	358.50	1,823.15
Inter-Segment		-	-	-	-	-	-
Total		1,577.86	402.01	1,979.87	1,464.65	358.50	1,823.15
Carrying amount of segment assets		1,234.17	9.57	1,243.74	1,124.97	6.82	1,131.79
Additions to fixed assets		104.44	-	104.44	85.40	-	85.40

The geographical segments considered for disclosure are as follows:

Sales within India include Sales to customers located within India

Sales outside India include Sales to customers located outside India.

Notes on Accounts (Contd.)

47 Related Party disclosures in accordance with AS18 issued by ICAI

Associates:

T.V.Sundram Iyengar & Sons Private Ltd.
Axles India Ltd.
Titan Europe Limited, UK
Sundaram Hydraulics Ltd.

Key Managerial Personnel:

Mr S Ram
Mr Srivats Ram

Nature of transactions	Rs. in Crores			
	2014-15		2013-14	
Purchase of goods				
T.V.Sundram Iyengar & Sons Private Ltd.	–		–	
Axles India Limited	0.04		0.04	
Sundaram Hydraulics Limited	1.28	1.32	0.62	0.66
Sale of goods				
T.V.Sundram Iyengar & Sons Private Ltd.	23.64		19.21	
Axles India Limited	0.52		0.01	
Sundaram Hydraulics Limited	10.72	34.88	8.89	28.11
Rendering of Services				
Axles India Limited	0.11		0.07	
Sundaram Hydraulics Limited	1.05	1.16	0.26	0.33
Receiving of Services				
T.V.Sundram Iyengar & Sons Private Ltd.	0.15		0.17	
Axles India Limited	0.07		0.06	
Sundaram Hydraulics Limited	1.48	1.70	1.09	1.32
Trade advance paid				
Sundaram Hydraulics Limited		–		0.60
Trade advance settled				
Sundaram Hydraulics Limited		–		0.60
Dividend paid during the year				
T.V.Sundram Iyengar & Sons Private Ltd.	1.77		2.97	
Titan Europe Limited, UK	2.97	4.74	4.98	7.95
Dividend received during the year				
Axles India Limited		0.36		0.11
		44.16		39.68
Balance due to us				
T.V.Sundram Iyengar & Sons Private Ltd.	2.21		2.53	
Sundaram Hydraulics Limited	22.11	24.32	15.40	17.93
Balance due from us				
T.V.Sundram Iyengar & Sons Private Ltd.	0.04		0.01	
Sundaram Hydraulics Limited	2.73	2.77	0.54	0.55



Notes on Accounts (Contd.)

Rs. in Crores

Key Managerial Personnel	2014-15		2013-14	
	Mr S Ram	Mr Srivats Ram	Mr S Ram	Mr Srivats Ram
Remuneration, Perquisites and Commission	0.60	1.55	0.53	1.38
Interest on fixed deposits	0.07	0.41	0.12	0.44
Dividend paid during the year	–	0.02	–	0.01
Deposits balance outstanding	–	2.18	1.30	4.39
Commission outstanding	–	0.64	–	0.58

48 Disclosures relating to leases in accordance with AS19 issued by ICAI

Operating Lease	2014-15		2013-14	
	Total Minimum Lease		Total Minimum Lease	
As at Balance Sheet date	2.10		2.79	
Not later than 1 year	0.94		1.04	
Later than 1 year and not later than 5 years	1.17		1.76	
Later than 5 years	–		–	
Lease rentals paid during the year	1.11		1.13	

49 Disclosure on Accounting for intangible assets in accordance with AS26 issued by ICAI

Computer software & Technical know how Refer to note no.12	2014-15		2013-14	
	Gross carrying amount at the beginning of the year	14.60	13.78	
Acquired during the year	1.32	0.82		
Gross carrying amount at the end of the year	15.92	14.60		
Gross amortisation at the beginning of the year	12.35	10.35		
Amortised during the year	1.37	2.00		
Gross amortisation at the end of the year	13.72	12.35		
Net carrying amount at the beginning of the year	2.25	3.43		
Net carrying amount at the end of the year	2.20	2.25		

50 Derivative instruments

Foreign Currency exposures that are not hedged by a derivative instrument or otherwise - Rs.8.43 crores (Previous year - Rs.59.94 crores)

51 Previous year's figures have been regrouped wherever necessary to conform to this year's classification.

Signatories to Notes to Financial Statements

S RAM Chairman	SRIVATS RAM Managing Director	S PRASAD Director	As per our report attached For SUNDARAM & SRINIVASAN Chartered Accountants (Registration No.:004207S) K SRINIVASAN Partner Membership No.5809
S SRIVATHSAN Chief Financial Officer & Secretary			
Chennai 18th May, 2015			

**Cash Flow Statement in accordance with AS3 issued by ICAI
Annexed to the Balance Sheet for the year ended 31st March, 2015**

		Rs. in Crores	
A	Cash Flow from Operating Activities:	2014-15	2013-14
	Net Profit before Tax and extraordinary items	39.54	38.86
	Adjustment for:		
	Depreciation	54.14	55.34
	Provision for Diminution in the value of Investments in equity shares	1.00	-
	(Profit) / Loss on sale of assets (net)	0.13	(0.23)
	Loss on obsolescence	0.00	2.90
	Effect of Exchange Rate Change	(2.69)	(2.49)
	Interest income	(1.96)	(1.51)
	Lease Liabilities	1.44	1.35
	Dividend Received	(0.36)	(0.11)
	Finance costs	59.07	55.35
		110.77	110.61
	Operating profit before working capital changes	150.31	149.47
	Adjustments for:		
	Receivables and advances	(95.74)	(9.48)
	Foreign Currency Monetary Items Translation Difference account	1.52	2.56
	Inventories	(3.74)	(18.22)
	Payables	43.23	26.57
		(54.73)	1.44
	Cash generated from operations	95.58	150.91
	Taxes paid	(11.68)	(4.50)
	Cash flow before extraordinary items	83.90	146.41
	Net Cash from operating activities (A)	83.90	146.41
	B Cash Flow from Investing Activities		
	Purchase of fixed assets	(69.38)	(78.38)
	Sale of Investments	0.50	1.01
	Sale of fixed assets	1.52	0.77
	Interest received	1.57	1.52
	Net cash used in investing activities (B)	(65.79)	(75.09)
	C Cash Flow from Financing Activities		
	Proceeds from Long Term Borrowings	75.72	25.26
	Repayment of Long Term Borrowings	(39.77)	(114.99)
	Repayment of Lease liabilities	(1.44)	(1.35)
	Proceeds Share Capital Right Issue	-	86.51
	Share Issue Expenses	-	(2.22)
	Increase in working capital	22.08	6.26
	Dividend received	0.36	0.11
	Finance costs	(60.67)	(55.81)
	Dividend paid	(8.66)	(11.94)
	Dividend tax paid	(1.58)	(2.03)
	Net cash used in Financing activities (C)	(13.96)	(70.20)
	Net increase in cash and cash equivalents (A+B+C)	4.15	1.12
	Cash and cash equivalents at the beginning of the year	2.79	1.67
	Cash and cash equivalents at the end of the year	6.94	2.79

S RAM
Chairman

SRIVATS RAM
Managing Director

S PRASAD
Director

As per our report attached
For **SUNDARAM & SRINIVASAN**
Chartered Accountants
(Registration No.:004207S)

S SRIVATHSAN
Chief Financial Officer & Secretary
Chennai
18th May, 2015

K SRINIVASAN
Partner
Membership No.5809