

WIL CAR WHEELS LIMITED



7th ANNUAL REPORT 2023-2024



WIL CAR WHEELS LIMITED

Registered Office: M.T.H. Road, Padi, Chennai – 600 050

CIN: U35999TN2017PLC116976

e-mail ID: investorservices@wilcarwheelsltd.com

7TH ANNUAL REPORT

FACTORIES

- **TAMILNADU**
M.T.H. Road, Padi,
Chennai - 600050, Tamil Nadu
- **HARYANA**
Plot No.11-18, Sector - 7,
HSIDC Growth Centre,
Bawal - 123501, Rewari District, Haryana
- **GUJARAT**
Survey No. 91/1,
Vanod Village, Becharaji-Dasada Road, Near
Becharaji, Dasada Taluka,
Surendranagar Dist., Gujarat - 363750
- **MAMBATTU**
Block - 4, Phase - II, Industrial Park,
Mambattu, Sulluru, Tada Mandal, Tirupati District,
Andhra Pradesh - 524121

BANKS / FINANCIAL INSTITUTIONS

HDFC Bank Limited
Axis Bank Limited
Federal Bank Limited
CTBC Bank Limited
IDFC FIRST Bank Limited
South Indian Bank Limited
Sundaram Finance Limited

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BOARD OF DIRECTORS

Mr. Srivats Ram Chairman
Mr. Hideki Aoyama (w.e.f. 26-07-2023)
Mr. L Rajasekar
Mr. S Prasad
Mr. Badri Vijayaraghavan
Ms. Sandhya Subramanyam (w.e.f. 26-02-2024)
Mr. Sanjay Pande
Mr. Ikuo Akita (upto 25-07-2023)
Mrs. Radha Unni (upto 30-11-2023)

AUDIT COMMITTEE

Mr. S Prasad Chairman
Mr. Badri Vijayaraghavan
Mr. Hideki Aoyama

NOMINATION AND REMUNERATION COMMITTEE

Mr. Badri Vijayaraghavan Chairman
Mr. S Prasad
Mr. Hideki Aoyama

HEAD – FINANCE

Mr. Venkatesh Mohan

HEAD – SECRETARIAL

Mr. Sai Ganesh K

SECRETARIAL AUDITOR

M/s. S Dhanapal & Associates LLP,
Practicing Company Secretaries,
Nungambakkam, Chennai – 600 034

STATUTORY AUDITOR

M/s. Sundaram & Srinivasan,
Chartered Accountants,
Alwarpet, Chennai - 600 018

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Cameo Corporate Services Limited,
'Subramanian Building', No. 1 Club House Road,
Anna Salai, Chennai - 600 002.

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **Seventh Annual General Meeting (7th AGM)** of the Members of the Company will be held on Monday, **July 15, 2024 at 9:30 A.M (IST)** through Video conferencing (VC) / Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS(ES):

- 1. TO CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2024, TOGETHER WITH REPORTS OF THE BOARD OF DIRECTORS AND THE AUDITOR THEREON**

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

“**RESOLVED THAT** the audited Balance Sheet as at March 31, 2024, Statement of Profit & Loss and Cash Flow Statement for the year ended March 31, 2024 together with the Reports of the Directors and Auditor thereon, be and are hereby approved and adopted.”

- 2. TO CONSIDER AND APPOINT MR. SANJAY PANDE (DIN:07639645), WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT**

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

“**RESOLVED THAT** Mr. Sanjay Pande (DIN:07639645), Director retiring by rotation, being eligible, offers himself for re-appointment, be and is hereby re-elected as a Director of the Company.”

SPECIAL BUSINESS(ES):

- 3. TO CONSIDER AND APPROVE THE REMUNERATION PAYABLE TO MR. RAJASEKAR LAKSHMANAN (DIN:08366162), EXECUTIVE DIRECTOR FOR THE FINANCIAL YEAR 2024-25**

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

“**RESOLVED THAT** in accordance with Sections 196, 197, 203 of the Companies Act, 2013 ('Act') read with Schedule-V to the Act and rules framed thereunder (including any statutory modification (s) or re-enactment thereof, for the time being in force), consent of the shareholders be and is hereby accorded to revise the annual remuneration payable to Mr. L Rajasekar, Executive Director of the Company for the financial year 2024-25 in the manner as set out hereunder:

Salary & Perquisites	<ul style="list-style-type: none">• Over-all Cost-to-the-Company (“CTC”) is fixed at Rs.63,44,171 (Rupees sixty three lakh forty four thousand one hundred and seventy one only) with a basic salary of Rs.19,03,251 (Rupees nineteen lakh three thousand two hundred and fifty one only)• Any change in terms of remuneration (beyond the above limits) will be decided by the Board of Directors, from time to time, based on the recommendations of the Nomination and Remuneration Committee and be approved by the members of the Company where the applicable law so requires.
Perquisites & Amenities	<ul style="list-style-type: none">• House Rent allowance: 50% of Basic• Medical reimbursement, Premium payable for medical insurance, Personal Accident Insurance, Leave Travel Allowance, contributions to Provident Fund / Pension Fund/ Superannuation Fund / Gratuity Fund / Leave encashment, etc. shall be in accordance with the policy of the Company.• Eligible for a Company maintained car / transport allowance in lieu of Company maintained car as per Company’s policy.• Bonus/ Ex-gratia as per Company’s policy• Provision of telephone(s) including mobile phones as per the policy of the Company.
Minimum Remuneration	Where in any financial year, during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary, allowances, commission and perquisites not exceeding the limits specified in Schedule-V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT an amount of Rs.60,42,097 (excluding contribution to gratuity, medical insurance and other contributions as per the policy of the Company) paid in accordance with Section 197 & 198 read with Schedule-V to the Act, as remuneration to Mr. L Rajasekar, Executive Director for the financial year 2023-24, be and is hereby taken on record.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to file necessary e-forms / returns with the Registrar of Companies and such other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental.”

4. TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. HIDEKI AOYAMA (DIN:10222755) AS NON-EXECUTIVE NON-INDEPENDENT DIRECTOR

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

“**RESOLVED THAT** pursuant to relevant provisions of Sections 149, 152 and 161 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Hideki Aoyama (DIN:10222755), who was appointed as an Additional Director (Non-Executive Director) by the Board of Directors with effect from July 26, 2023 and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Act, be and is hereby appointed as Non-Executive Non-Independent Director of the Company, subject to liable to retire by rotation.”

RESOLVED FURTHER THAT Mr. Srivats Ram, Chairman, Mr. L Rajasekar, Executive Director and Mr. Sanjay Pande, Non-Executive Director, be and are hereby severally authorized to file forms, returns, and memorandum of information in respect of the above with the Registrar of Companies and such other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental.”

5. TO CONSIDER AND APPROVE THE APPOINTMENT OF Ms. SANDHYA SUBRAMANYAM (DIN:02753843) AS INDEPENDENT DIRECTOR FOR A TERM OF FIVE YEARS

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

“**RESOLVED THAT** pursuant to relevant provisions of Sections 149, 150 and 152 read with Schedule-IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Ms. Sandhya Subramanyam (DIN:02753843), who was appointed as an Additional Director (Independent Director) by the Board of Directors with effect from February 26, 2024 and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Act, be and is hereby appointed as an Independent Director of the Company, for a term of five (5) consecutive years, not liable to retire by rotation.

RESOLVED FURTHER THAT Mr. Srivats Ram, Chairman, Mr. L Rajasekar, Executive Director and Mr. Sanjay Pande, Non-Executive Director, be and are hereby severally authorized to file forms, returns, and memorandum of information in respect of the above with the Registrar of Companies and such other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental.”

Notes:

1. The Ministry of Corporate Affairs (“MCA”), vide their circulars dated May 05, 2020, April 08, 2020, April 13, 2020, January 13, 2021, May 05, 2022, December 28, 2022 read with September 25, 2023 (collectively referred to as “MCA Circulars”), has allowed the Companies to hold the Annual General Meeting (“AGM”) through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”) and the MCA Circulars, this AGM is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the

facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company at investorservices@wilcarwheelsltd.com.

3. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act
4. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted at the meeting under item no. 3 to 5 is annexed to this notice
5. As the AGM is being held through VC / OAVM, the route map is not annexed to this Notice
6. The members can join the AGM in the VC / OAVM mode 15 minutes before the scheduled time of commencement of the meeting by following the procedure mentioned in the e-mail dispatching the notice and annual report.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to this Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. The members seeking to inspect such documents can send an e-mail to investorservices@wilcarwheelsltd.com

By Order of the Board of Directors

Chennai
May 15, 2024

L Rajasekar
Executive Director
DIN: 08366162

Explanatory statement under Section 102 of the Companies Act, 2013

Item No. 3

The shareholders of the Company at their 5th AGM held on June 20, 2022 had approved the re-appointment of Mr. L Rajasekar as Executive Director of the Company for a further period of three years w.e.f. February 18, 2022 including the terms of remuneration.

Mr. L Rajasekar, aged 55 years, is serving the Board as an Executive Director since February 18, 2019. He holds Advance certification course in Operations management from IIM - Kozhikode, PG Diploma in Operations Management from IGNOU and B-Tech - Production Engineering, MIT, Anna University. He has more than three decades of rich experience in the areas of Production, Operations, Quality systems, Supply Chain, Maintenance, Tool room, Management, Strategy and Logistics.

Based on the recommendations of the Nomination and Remuneration Committee ('NRC') and consent of the Board of Directors at their respective meetings held on May 15, 2024, it is proposed to fix the remuneration payable to him for the financial year 2024-25 in accordance with Section 197 of the Companies Act, 2013 ('Act') read with Schedule-V to the Act and relevant rules made thereunder.

The statement required to be given in terms of Section-II of the Schedule-V to the Act read with Secretarial Standards - II are given below:

Particulars	Remarks
I. General information:	
Nature of industry	Engaged in the business of manufacturing passenger car steel wheels.
Date or expected date of commencement of commercial production	Commenced w.e.f. September 01, 2017

Particulars	Remarks
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	-
Financial performance based on given indicators	Refer 'Financial highlights' section of the Director's report
Foreign investments or collaborations, if any	M/s. Topy Industries Limited, Japan has 26% of shareholding in the Company.
II. Information about the appointee:	
Past remuneration	Rs.60.42 Lakhs during the FY 2023-24
Background details, Recognition or awards and Job profile & his suitability	Mr. L Rajasekar, aged 55 years, is serving the Board as an Executive Director since February 18, 2019. He holds Advance certification course in Operations management from IIM - Kozhikode, PG Diploma in Operations Management from IGNOU and B-Tech - Production Engineering, MIT, Anna University. He has more than three decades of experience in the areas of Production, Operations, Quality systems, Sourcing of recourses, Maintenance, Tool room, Management, Strategy and Logistics
Remuneration proposed	Rs.63.44 lakhs for the FY 2024-25
Comparative remuneration profile with respect to industry	The proposed remuneration package of the appointee is in line with the prevailing remuneration package in the industry, size of the company, profile of the position, etc. The Company proposes to pay minimum remuneration in case of absence / inadequacy of profits (within the limits as prescribed under Part-II of Section-II of Schedule-V of the Act) to Mr. L Rajasekar, Executive Director.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any	NIL
III. Other information:	
Reasons of loss or inadequate profits	The Company has been incurring losses primarily on account of fluctuations in raw material costs and other operational factors. The Company proposes to obtain approval of shareholders to pay the managerial remuneration as above.
Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures which are in the best to improve volume and efficiency in operations. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins. Further, refer to 'Business outlook' section of the Director's report.
Expected increase in productivity and profits in measurable terms	
The Company has not made any default in repayment of its debt or interest payable thereon during the preceding financial year(s). Mr. L Rajasekar satisfies the conditions laid down in schedule-V to the Act. He does not hold any shares in the Company.	

The ordinary resolution as set out under item no. 3 of the Notice is accordingly submitted to the members for consideration. Except Mr. L Rajasekar, none of the other Director(s) / Key Managerial Personnel ('KMP') and their relatives are concerned or interested in the above resolution except to the extent of shareholding, if any.

Item No. 4

Mr. Hideki Aoyama (DIN:10222755) was inducted as an Additional Director in the capacity of Non-Executive Director on the Board of Company with effect from July 26, 2023, based on the recommendations of the NRC, who shall hold office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("Act").

Mr. Hideki Aoyama has about four decades of manufacturing experience and expertise in strategy, management and business development. He started his career with SUMITOMO Group Company in April 1988, M/s. Asahi Tec Corporation in July 2011 and eventually joined Topy Industries Limited, Japan in April 2019. Currently, he is the Managing Executive Officer, Head of Overseas Business Development Dept., Head of Aluminum Wheel Centre and Sales and Marketing Dept of Topy Industries Limited, Japan.

Mr. Hideki Aoyama is not disqualified from being appointed as a Director in terms of Section 164 of Act and he has already consented to act as a Director in terms of Section 152 of the Act.

Considering his vast expertise and knowledge and in the best interest of the Company, Mr. Hideki Aoyama be appointed as Non-Executive Non-Independent Director and the Board recommends the resolution for approval of the members. Further, Mr. Hideki Aoyama will not be drawing any remuneration from this Company. The ordinary resolution as set out under item no. 4 of the Notice for seeking approval of the shareholders to regularize Mr. Hideki Aoyama as Non-Executive Director is being put forth to the shareholders.

Except Mr. Hideki Aoyama, none of the other Director(s) / KMP and their relatives are concerned or interested in the above resolution, except to the extent of shareholding, if any.

Item no.5:

Ms. Sandhya Subramanyam (DIN:02753843) was inducted as an Additional Director in the capacity of Non-Executive Independent Director on the Board of Company with effect from February 26, 2024, based on the recommendations of the NRC, who shall hold office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("Act").

Ms. Sandhya S has decades of experience in the fields of healthcare, Management, Strategy, Business Development. She is also an avid angel investor through Bergwelt Capital, part of her family office, where she and her team invest in a wide range of industries including healthcare, education and legal tech. She is a Promoter / Director of Neuberg Ehrlich. Prior to Ehrlich, Ms. Sandhya has over 12 years of management consulting experience in USA, China and India and her primary focus was on strategic growth, operational efficiency and new business development.

Ms. Sandhya S is not disqualified from being appointed as a Director in terms of Section 164 of Act, confirmed her independence in terms of Section 149 of the Act read with Schedule-IV to the Act and she has already consented to act as a Director in terms of Section 152 of the Act.

Considering his vast expertise and knowledge and in the best interest of the Company, Ms. Sandhya S be appointed as an Independent Director and in the opinion of the Board, she fulfils the conditions specified in the Act and the rules made thereunder and that she is independent of the management. The Board further opines she meets the requisite integrity, expertise and experience as an Independent Director.

A copy of the draft letter for appointment of Ms. Sandhya S as an Independent Director setting out the terms and conditions of her appointment is available for inspection by members at the Registered Office of the Company. Further, Ms. Sandhya S will not be drawing any remuneration from this Company except the sitting fees for attending the Board / Committee meetings. The ordinary resolution as set out under item no. 5 of the Notice is accordingly submitted to the members for consideration.

Except Ms. Sandhya S, none of the other Director(s) / KMP and their relatives are concerned or interested in the above resolution, except to the extent of shareholding, if any.

The additional disclosures with respect to item nos. 2, 4 & 5, as required under Act and Secretarial Standard-II, for the above appointment / re-appointment have been provided in Annexure-I to this Notice.

Disclosures as per the requirements of Clause 1.2.5 of the Secretarial Standard - II issued by the Institute of Company Secretaries of India (“ICSI”), a statement containing the requisite details of the concerned Directors is given below:

Name	Mr. Sanjay Pande	Ms. Sandhya Subramanyam	Mr. Hideki Aoyama
DIN	07639645	02753843	10222755
Date of Birth	May 09, 1962	August 21, 1976	October 30, 1963
Age	62 years	47 years	61 years
Profile of Directors: Qualification & Experience	B-Tech in Production Engineering from DCE, Darbhanga, Bihar and holds Management Education Program from IIM, Ahmedabad. He has more than three decades of experience in Sales & Marketing and Strategy.	Ms. Sandhya Subramanyam completed her Executive Program in Business Management from the Columbia Business School, USA apart from holding a Master's in Science Business & IT from the University of Boston, USA and a Bachelor's degree in Manufacturing Engineering from the Anna University, Chennai. Ms. Sandhya has decades of experience in the fields of Business Development, Strategy, healthcare, Management. She is also an avid angel investor through Bergwelt Capital, part of her family office, where she and her team invest in a wide range of industries including healthcare, education and legal tech.	Mr. Hideki Aoyama holds bachelor's degree in Sociology, SOPHIA University and Master's in Business Administration, School of Asian and International Business Strategy. Mr. Hideki Aoyama has close to four decades of manufacturing experience and expertise in strategy, management and business development.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	A Director retiring by rotation, being eligible, offers himself for re-appointment. Not entitled for any remuneration.	Being appointed as an Independent Director for a period of five consecutive years. No approval is being sought for any remuneration except for sitting fee eligible for attending meetings of the Board / Committees thereof.	Being appointed as Non-Executive Director, liable to retire by rotation. Not entitled for any remuneration.
Remuneration last drawn by such person, if applicable	NIL	Sitting fee for the FY 2023-24: Rs.0.20 lakhs	NIL
Date of first appointment on the Board	June 07, 2017	February 26, 2024	July 26, 2023
Membership / Chairmanship of Committees of the Board including this Company	a) Chairperson: NIL b) Member: NIL	a) Chairperson: Sundaram Brake Linings Limited: - Audit b) Membership: Sundaram Brake Linings Limited: - Nomination & Remuneration - Stakeholders Relationship	a) Chairperson: NIL b) Member: WIL Car Wheels Limited: - Nomination & Remuneration - Audit

Directorships in other Boards	NIL	<ul style="list-style-type: none"> • Sundaram Brake Linings Limited • Neuberger Ehrlich Laboratory Private Limited 	NIL
Number of shares held in the Company	1 (One)	NIL	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None	None	None
Number of Meetings of the Board attended during the year	Eligible & attended: 5 (Five)	Eligible & attended: 1 (One)	Eligible & attended: 4 (Four)

By Order of the Board of Directors

Chennai
May 15, 2024

L Rajasekar
Executive Director
DIN: 08366162

Report of The Board of Directors

Your Directors hereby present the **Seventh Annual Report** including Audited Financial Statements of the Company and other prescribed particulars for the year ended March 31, 2024.

Financial highlights

During the financial year 2023-24, the total revenue was reported at Rs.42,661.25 Lakhs as compared to Rs.38,153.10 Lakhs in the previous year. The summary of financial performance of your Company for the year under review is given below:

Rs. In Lakhs

Particulars	2023-24	2022-23
Gross Profit / (loss) before finance costs and depreciation	(3.09)	(366.43)
Less: Finance costs	1,401.70	1,077.08
Less: Depreciation	606.86	591.45
Profit / (Loss) before tax for the year	(2,011.65)	(2,034.96)
Profit / (Loss) after deferred tax for the year	(1,491.10)	(1,506.62)

Share Capital

During the period under review, there was no change in the capital structure of the Company and as on March 31, 2024, the paid-up equity share capital of the Company was Rs.500 Lakhs.

Business Outlook / Prospects

The Indian Economy is expected to have grown by 7.2% in 2023-24. The passenger vehicle market grew at 8.0%, and the Passenger car industry recorded the highest production of 4.21million cars. The growth has come largely in the sports utility vehicle segment that has a high aluminum wheel fitment. The small car segment de-grew by 12%.

Your Company capacity utilization has improved at Bawal and Vanod plants due to growth in volume from its largest customer. Volatility in steel prices last year affected our profitability to the extent of stocks. The profitability was also affected by higher interest rates, following guidelines from the Reserve Bank of India. The Indian economy is expected to grow at 6.8% in the year ahead of us. The

demand remains high in the SUV segment and the industry is poised to grow at a modest rate of 3 -5 % in the coming year. We are planning capacity expansion at our Vanod plant to serve a leading OEM's Sanand EV passenger car segment.

Your company has put in place safety, health and environment systems and is taking adequate precautions in its plant operations. The Company is working towards reducing costs and optimizing efficiency in these promising but uncertain times.

Details of Board of Directors & Key Managerial Personnel (KMP):

As on March 31, 2024, the Board of Directors consists of seven members and the details are as under:

Sl. No.	Name of the Director (DIN)	Designation	Date of appointment / re-appointment
1	Mr. Srivats Ram (DIN: 00063415)	Chairman & Non-Executive Director	June 12, 2017
2	Mr. Hideki Aoyama (DIN: 10222755)	Non-Executive & Non-Independent Director	July 26, 2023
3	Mr. L Rajasekar (DIN: 08366162)	Executive Director	February 18, 2019
4	Mr. S Prasad (DIN: 00063667)	Independent Director	December 13, 2017
5	Mr. Badri Vijayaraghavan (DIN: 00198817)	Independent Director	December 13, 2017
6	Ms. Sandhya Subramanya (DIN: 076396450)	Independent Director	February 26, 2024
7	Mr. Sanjay Pande (DIN: 07639645)	Non-Executive & Non-Independent Director	June 12, 2017

During the year, Mr. Ikou Akita, Non-Executive Director and Mrs. Radha Unni, Independent Director ceased to be the Directors of the Company w.e.f. July 25, 2023 and November 30, 2023, respectively.

Further, Mr. Hideki Aoyama was inducted to the Board as Non-Executive Director w.e.f. July 26, 2023 and Ms. Sandhya Subramanyam was inducted to the Board as Independent Director w.e.f. February 26, 2024. The notice of the 7th AGM has relevant subjects for seeking the regularization of these Directors.

Mr. L Rajasekar, Executive Director continues to be the Key Managerial Personnel of the Company in terms of Section 2(51) of the Companies Act, 2013 (the 'Act').

Re-appointment of Director retiring by rotation

In terms of Section 152 of the Act, Mr. Sanjay Pande (DIN:07639645), retires by rotation and being eligible, offers himself for re-appointment.

Profile of Director(s) seeking appointment / re-appointment

The profile of the Director(s) seeking appointment / re-appointment, as the case may be, as required to be given in terms of the Secretarial Standards, forms part of the Notice convening the 6th AGM of the Company.

Board Evaluation

Pursuant to the provisions of Sections 178, 149(8) read with Schedule-IV to the Act, an Annual Performance Evaluation of the Board, the Directors as well as Committees of the Board have been carried out. The Performance Evaluation of the Independent Directors was done by the entire Board and that of the Chairman and Non-Independent Directors. The criteria and manner in which the evaluation has been carried out are provided in Annexure - I forming part of this report.

Independent Directors declaration

All Independent Directors have given declaration that they met the criteria of independence as laid down under Section 149(6) of the Act and also complied with the provisions relating to independent directors' databank.

Remuneration Policy

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee, had framed a policy for determining qualifications, positive attributes and independence of a Director. The said policy is provided as Annexure - II forming part of this report.

Subsidiary / Associate / Joint Venture Companies

Your Company does not have any Subsidiary / Associate / Joint Venture Companies as per the Companies Act,

2013. Hence, the details required to be given in form AOC- 1 is not applicable.

Particulars of Loan, Guarantee or Investment

During the period, the Company has not given any loan or provided any guarantee or security or made investment as specified in Section 186 the Companies Act, 2013.

Fixed Deposits

During the year under review, your Company did not raise funds by way of fixed deposits from the public.

Dividend & Transfer to General Reserve

Considering the financial position of the Company, your Directors have not recommended any Dividend for the year 2023-24 and has not transferred any amount to General Reserve during the year under review.

Annual Return

As per the provisions of Section 134(3)(a) read with 92(3) of the Act, the Company has not provided the extract of the Annual Return for the financial year 2023-24.

Cost Records and Cost Audit

The appointment of Cost Auditor is not applicable to the Company under Companies (Cost Records and Audit) Rules, 2014. Further, the maintenance of cost records as prescribed under provisions of Section 148(1) of the Companies Act, 2013 is also not applicable for the business activities carried out by the Company.

Risk Management, Internal Financial Control Systems and Audit

Your Company has formulated a Risk Management Policy. The Policy provides for identification of risk and mitigation measures.

Your Company maintains adequate and effective Internal Control System commensurating with its size. The Internal Control systems provide a reasonable assurance to the effect that the transactions are executed with proper authorizations and are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets

are secured and safeguarded against any misuse or loss. The internal control systems are supplemented through an extensive internal audit programme and periodic review by the Management and Audit Committee. The Company has in place adequate internal financial controls and no reportable material weakness was observed.

Vigil Mechanism / Whistle Blower Policy

In accordance with the requirements of the Companies Act, 2013, your Company has established a Vigil Mechanism / Whistle Blower Policy for Directors and Employees to report genuine concerns. The said policy meets the requirements of the Vigil Mechanism framework under the Companies Act, 2013.

Change in the Nature of Business:

During the period, there was no change in the nature of the business of the Company.

Material changes and commitments affecting financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Significant and material orders passed by the Regulators or Courts or Tribunal

There were no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Further, there were 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.

Related Party Transactions

All Related Party Transactions (RPTs) that were entered by the Company during the financial year 2023-24 were at an arm's length basis and were in the ordinary course of business. There were no material contracts or arrangement or transactions at arm's length basis and

hence, the disclosure in form AOC-2 does not apply. All RPTs were placed before the Audit Committee and the Board for their review / approval.

Meeting of the Board of Directors

The Board of Directors meet at regular intervals to discuss and decide on Company / business policy and strategy apart from other business reserved for the consideration of the Board. The Board / Committee meetings are being scheduled in advance and a tentative annual calendar of the Board / Committee Meetings are being circulated to the Directors to facilitate them to plan their schedule and to ensure meaning full participation in the meetings.

In case of any urgent business requirements, approval of the Board / Committee is being taken by passing resolutions through circulation, as permitted by law, which are confirmed at the subsequent meeting of the Board. However, during the year, there was no resolution passed through circulation.

During the financial year under review, the Board met five times on May 16, 2023, July 26, 2023, October 31, 2023, January 25, 2024 and February 26, 2024. The details of attendance of each Director is given below:

Name of the Director	No. of meetings attended	No. of meetings held
Mr. Srivats Ram	5	5
Mr. L Rajasekar	5	5
Mr. Hideki Aoyama	4	4
Mr. S Prasad	5	5
Mr. Badri Vijayaraghavan	5	5
Mr. Sanjay Pande	5	5
Ms. Sandhya Subramanyam	1	1
Mrs. Radha Unni *	3	3
Mr. Ikou Akita **	1	2

* Mrs. Radha Unni ceased to be an Independent Director w.e.f. November 30, 2023; and

** Mr. Ikou Akita ceased to be a Non-Executive Director w.e.f. July 25, 2023.

Audit Committee

As on March 31, 2024, the Audit Committee comprises of Mr. S Prasad, Chairman and Mr. Badri Vijayaraghavan and Mr. Hideki Aoyama as other Members of the Committee. During the period under review, the Committee had met six times on May 16, 2023, July 26, 2023, October 31, 2023, January 25, 2024, February 26, 2024 and March 27, 2024. The details of attendance of each member are given below:

Name of the Director	Capacity	No. of meetings held	No. of meetings attended
Mr. S Prasad	Independent Director	6	6
Mr. Badri Vijayaraghavan	Independent Director	6	6
Mr. Hideki Aoyama**	Non-Executive Director	4	4
Mr. Ikou Akita**	Non-Executive Director	2	1

* Mr. Ikou Akita ceased to a member w.e.f. July 25, 2023

** Mr. Hideki Aoyama was induced as a member w.e.f. July 26, 2023

Nomination and Remuneration Committee

As on March 31, 2024, the Nomination & Remuneration Committee ("NRC") comprises of Mr. Badri Vijayaraghavan as Chairman and Mr. S Prasad and Mr. Hideki Aoyama as other Members of the Committee. During the period under review, the Committee had met thrice on May 16, 2023, July 26, 2023, and February 26, 2024. The details of attendance of each member are given below:

Name of the Director	Capacity	No. of meetings held	No. of meetings attended
Mr. Badri Vijayaraghavan	Independent Director	3	3
Mr. S Prasad	Independent Director	3	3
Mr. Hideki Aoyama**	Non-Executive Director	1	1
Mr. Ikou Akita**	Non-Executive Director	2	1

* Mr. Ikou Akita ceased to a member w.e.f. July 25, 2023.

** Mr. Hideki Aoyama was induced as a member w.e.f. July 26, 2023

Independent Directors Meeting

During the year under review, the Independent Directors met on March 27, 2024, inter-alia, to evaluate the performance of Non-Independent Directors, Chairman and the Board of Directors as a whole. The evaluation was done basis of attendance, quality of discussion in the meetings, content and timeliness 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 said meeting.

Particulars of employees and related disclosures

None of the employees of the Company were in receipt of remuneration in excess of the limits prescribed under the Act and the rules framed there under.

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. The Company has constituted an Internal Committee ('IC') to consider and resolve all sexual harassment complaints, if any, reported by women. During the year under review, there were no cases filed pursuant to the above Act.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3) (c) of the Companies Act, 2013:

- 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;
- 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, 2024 and of the loss of the Company for the year ended on that date;

- c. proper and sufficient care has been taken for the 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 fraud and other irregularities;
- d. the annual financial statements have been prepared on a going concern basis; and
- e. 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.

Statutory Auditor

M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai (Firm Registration no. 004207S) were appointed as Statutory Auditor of the Company for a second term of five consecutive years commencing from the conclusion of 6th AGM (AGM 2023) till the conclusion of 11th AGM (AGM 2028).

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the rules framed thereunder, the Company had appointed M/s. S Dhanapal & Associates LLP, a firm of Practicing Company Secretaries, Chennai to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit is given in Annexure - III and forming part of this report.

Comments on Auditors' report

There were no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditor in their report on the audited financial statements for the year ended March 31, 2024. Also, the Statutory Auditor has not reported any matter to the Audit Committee in terms of Section 143(12) of the Act.

Further, there were no qualifications / reservations / adverse remarks / disclaimers made by the Secretarial Auditor of the Company in their report for the year ended March 31, 2024.

Corporate Social Responsibility (CSR)

The provisions of CSR in terms of Section 135 of the Act does not apply to the Company

Statutory and Regulatory Compliance

During the period under review, the Company has complied with all laws applicable to it including the Secretarial Standard for the Board Meetings (SS-1) and the General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

Conservation of Energy, Technology Absorption, and Foreign Exchange earnings & outgo

The details about 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 is provided in Annexure - IV and form part of this report.

Acknowledgement

We thank our customers, suppliers, vendors, banks / financial institutions, regulatory & Government authorities, investors, other business associates and other stakeholders for their assistance, support and co-operation extended. We place on record our appreciation for the committed services of all our employees at all levels.

For and on behalf of the Board of Directors

Chennai
May 15, 2024

Srivats Ram
Chairman
DIN: 00063415

BOARD EVALUATION

The criteria for evaluation were in accordance with the Nomination & Remuneration Policy adopted by the Company. The evaluation was carried out 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 corporate social responsibility.

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.

ANNEXURE-II

NOMINATION AND REMUNERATION POLICY

PREAMBLE

WIL Car Wheels Limited ("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 ("Policy") has been formulated in compliance with Section 178 and other applicable provisions of the Companies Act, 2013 ("Act") read with the applicable rules thereto and re-enactment thereof.

OBJECTIVE

- a) To laydown criteria in relation to appointment and removal of Directors, Key Managerial Personnel (KMP) and Senior Management.
- b) Shall specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- c) To formulate criteria for determining qualification, positive attributes and independence of a Director.

DEFINITIONS

Key Managerial Personnel ("KMP") in relation to a Company, means (i) the Chief Executive Officer / Managing Director / Executive Director or 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 Act.

Senior Management Personnel ("SMP") 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 Nomination & Remuneration Committee ("Committee") shall be in accordance with the provisions of the Act read with rules framed thereunder. The Committee constituted by the Board of Directors, 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

i. Executive Directors

The appointment of the Executive Directors shall be in accordance with the provisions of the Act read with applicable rules framed thereunder.

ii. 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.

iii. 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 position 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

The compensation philosophy aims at aligning compensation to goals of the Company, internal equity, individual's performance, industry practices, market trends, legal requirements and appropriate governance standards.

The remuneration of the Directors / KMP / SMP shall be based paid considering the following:

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

I. Managing Director / Whole-Time Director / Executive Director:

The remuneration (including commission, if any) payable to Executive Director(s) shall be within the overall limits prescribed under the Act and rules made thereunder, subject to requisite approval of shareholders, if any. The quantum of remuneration (including commission, if any) to Executive Director(s) shall be determined by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee, from time to time.

II. Non-Executive / Independent Director:

The Non-Executive / Independent Directors may receive remuneration by way of sitting fees. The amount of sitting fees shall be subject to limits as provided under the Act and rules made thereunder. It is the discretion of the Board to consider paying the sitting fees only to Independent Directors.

III. Remuneration to other Employees:

Apart from the Directors, the remuneration for rest of the employees (including KMP & SMP) shall be determined on the basis of the role and position of the individual employee, including professional experience. The power to decide structure of remuneration for KMP, SMP and other employees has been delegated to the Human Resources Department of the Company.

C. EVALUATION

I. 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.

II. Independent Directors

The evaluation will be in accordance with Section 149 of the Act read with Schedule-IV to the Act and relevant rules framed thereunder. 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.

III. KMP (CFO /Company Secretary) and Senior Management

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

IV. Other Employees

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

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.

D. CRITERIA FOR EVALUATION

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

i. 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.

ii. Commitment to good corporate governance practices

1. Whether the Company practices high ethical and moral standards
2. Whether the Company is fair and transparent in all its dealings with stake holders

iii. Adherence to regulatory compliance

Whether the company adheres to the various government regulations, local, state and central in time.

iv. 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.

v. 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.

vi. Existence of integrated Risk Management system

Whether the company has an integrated risk management system to cover the business risks.

vii. 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.

viii. Commitment to social causes

Whether the company is committed to social causes and a system to identify, finance and monitor such social activities

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

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

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

E. REVIEW AND AMENDMENT

The NRC or the Board may review the Policy as and when it deems necessary and the Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there are any statutory changes necessitating the change in the policy. However, no such amendment or modification will be binding on the Directors and employees unless the same is communicated in the manner described as above.

This policy was first approved by the Board of Directors at their meeting held on February 14, 2018 and reviewed on February 26, 2024.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
 FOR THE FINANCIAL YEAR ENDED 31.03.2024

[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,
 M/s. **WIL CAR WHEELS LIMITED**,
 Chennai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. WIL CAR WHEELS LIMITED** having CIN: U35999TN2017PLC116976, (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 conduct / statutory compliances and expressing our opinion / understanding thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit except internal audit reports and details on compliance of environmental and labour laws, we, on strength of those records, and information so provided, hereby report that in our opinion and understanding, the Company, during the audit period covering the financial year ended on March 31, 2024, 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, for the financial year ended on March 31, 2024, according to the applicable provisions of:

- | | |
|---|--|
| <ul style="list-style-type: none"> i) The Companies Act, 2013 (the Act) and the rules made thereunder as applicable; | <ul style="list-style-type: none"> 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, Overseas Direct Investment and External Commercial Borrowings to the extent applicable. v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI ACT') to the extent applicable to a subsidiary of a listed company during the year <ul style="list-style-type: none"> a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Take overs) Regulations, 2011; b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; |
|---|--|

-
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2);

During the period under review, the Company has complied in accordance with the requirements to be met with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable except for demat of shares.

It is represented to us that the company has initiated measures, wherever required, to address issues raised by the Statutory Authorities and letters/notices received by the Company during the financial year under various enactments as applicable to the company.

We further report that, subject to the above, 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 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.

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.

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 based on our limited review of the compliance mechanism established by the Company, 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 period covered under audit the Company has sought the approval of its members for following major event, other than transaction of ordinary business:

- a. Consider and approve the remuneration payable to Mr. Rajasekar Lakshmanan (DIN: 08366162), Executive Director for the Financial Year 2023-24.

We further report that, our Audit was 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. The compliance with provisions of applicable laws which have been subject to other audits have not been independently reviewed by us and the reports wherever shown to us have been relied upon in rendering our report.

We further report that we have conducted the secretarial audit whenever required through online verification and examination of records, as facilitated by the company, for the purpose of issuing this Report.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)

RAMANATHAN NATCHIAPPAN
Designated Partner

FCS 6665
CP NO. 11084

Chennai Peer Review Certificate No.1107/2021
Date: 15/05/2024 UDIN: F0006665F000390963

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.

To
The Members,
M/s. **WIL CAR WHEELS LIMITED**,
Chennai

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)

RAMANATHAN NATCHIAPPAN
Designated Partner

Chennai
Date: 15/05/2024

FCS 6665
CP NO. 11084
Peer Review Certificate No.1107/2021
UDIN: F0006665F000390963

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE

Conservation of Energy

Your Company is implementing energy conservation activities in all its plant location. Due to the geopolitical situation in Ukraine the prices of PNG have gone up significantly and we were using LPG to reduce the cost at Bawal. We are closely monitoring the price of PNG and switching over fuels to optimize the cost. We are also exploring usage of PNG at our Vanod plant.

The Company is also exploring methods to improve the CED plant efficiency by improving the utilization of the plant. Also, there are multi-fold activities being carried out for conserving energy viz. reduction of compressed air leakage, replacement of inefficient motors with energy efficient motors, VFD drives, usage of induction and LED lamps, reduction of energy consumption by converting electrical energy into Hydraulic energy / gravity type, Idle energy consumption reduction by projects, Water consumption reduction by water treatment. Each of the production lines is metered for power consumption and improvements are being made through audits. We are also exploring Roof top solar for our Bawal and Vanod plant.

Technology Absorption

Your Company continues to innovate and increase its technology deployment to meet the requirements of its customers and will continue its efforts towards yield improvement, resource optimization and improved performance of its products. The knowledge exchange through technical collaboration with Topy Industries Limited, Japan also enables the above purpose

Foreign Exchange earnings and outgo

Foreign Exchange outflow: Rs. 663.41 Lakhs

Foreign Exchange earnings: Rs.31.51 Lakhs

For and on behalf of the Board of Directors

Srivats Ram
Chairman
DIN: 00063415

FINANCIAL STATEMENTS
2023 - 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of WIL Car Wheels Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of WIL Car Wheels Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the material accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 the Companies (Indian Accounting Standards) Rules, 2015. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" to this Report, a statement on the matters specified in para 3 and 4 of the said 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, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - g) The Managerial Remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
 - a. 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 Ind AS financial statement – Refer Note 44 to the financials statements

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- ii) the Company does not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses and hence no provision is required to be made.
 - iii) there were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.
 - vi)
 - a) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - b) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement.
 - v) The company has not declared/paid any Dividend during the year
 - vi) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

K. Srinivasan
Partner

Membership No. 005809
UDIN: 24005809BKBZNO2981

Place: Chennai
Date: 15/05/2024

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

With reference to the Annexure A referred to in paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of WIL Car Wheels Limited on the Financial Statements for the year ended 31 March 2024, we report that:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 (B) The company is maintaining proper records showing full particulars of Intangible Assets
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties other than leased contracts which are duly executed in favour company's name. Hence this paragraph of the order is not applicable.
- (d) The Company has not revalued its Property Plant and equipment or Intangible assets during the year.
- (e) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, no proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The Management has conducted physical verification of Inventory at reasonable intervals. In our opinion, the coverage and procedure of such verification is appropriate. The discrepancies arising out of such physical verification did not exceed 10% or more in aggregate for each class of inventory, such discrepancies have been properly dealt with in the books of accounts
- (b) During the year, the company has been sanctioned working capital limits in excess of Rs. Five Crores from banks on the basis of security of current assets. The quarterly returns and the statements filed by the company with such banks are in agreement with the books of accounts.
- (iii) During the year, the company has not made investments in or provided any guarantee or security or granted any loans or advances in nature of loan to companies, firms, Limited Liability Partnerships or to any other entities. Hence reporting under clauses 3(iii)(a) to 3(iii)(f) are not applicable.
- (iv) The company has not granted any loan, made any investment and provided any guarantee or security. Hence the provisions of section 185 and Section 186 of the Act are not applicable.
- (v) The Company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act in respect of products manufactured by the company.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, goods and services tax, cess and any other statutory dues applicable to it during the year with appropriate authorities.
- (b) According to the records of the company and the information and explanation given to us, details of disputed taxes not deposited are as follows: -

Nature of dues	Amount Rs. in lakhs	Period to which the amount relates	Forum where the dispute is pending
Goods and Service Tax	54.23	2017-20	Deputy Commissioner of CGST and Central Excise – Ambattur division
TOTAL	54.23		

- (viii) Based on our examination of books of accounts and other records of the company and based on the information and explanation provided by the management, the company has not surrendered or disclosed any transactions not recorded in books of account as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) a) Based on our examination of the books of accounts and other records of the company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, the company has not been declared as a willful defaulter by any bank, financial institution or any other lender.
- c) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, term loans were applied for the purposes, which they were obtained.

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- d) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, no funds raised on short term basis have been utilized for long term purposes.
- e) The Company does not have any subsidiary, Joint venture or associate companies. Hence reporting clauses 3(ix)(e) and 3(ix)(f) are not applicable.
- (x) a) The Company has not raised moneys by way of Initial Public Offer or Further Public Offer during the year.
b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally) during the year.
- (xi) a) Based on our examination of the Books of Accounts and other Records of the company and based on the information and explanation provided by the management, no case of fraud by the company or fraud on the company has been noticed or reported.
b) No report under sub section (12) of Section 143 of the Act in form ADT-4 was filed as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
c) There were no whistle blower complaints received during the year.
- (xii) The Company is not a Nidhi Company. Hence, clauses 3(xii)(a),(b),(c) of the Order are not applicable.
- (xiii) The transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) a) The company has an Internal Audit System commensurate with the Size and Nature of its business
b) We have considered the Reports of Internal Auditors.
- (xv) According to the information and explanations given to us by the management, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year.
- (xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3 (xvi)(a) of the Order does not arise.
b) The company has not conducted any Non-Banking Financial or Housing Finance activities, the provision of this clause is not applicable.
c) The company is not a Core Investment Company, hence reporting under clause 3(xvi)(c) is not applicable.
d) There are no Core Investment Companies as a part of Group as defined under Core Investment Companies (Reserve Bank) Directions, 2016,
- (xvii) The company has incurred cash losses of Rs.976.28Lakhs and Rs.917.17 Lakhs during the current financial year and in the immediately preceding financial year respectively.
- (xviii) There has been no case of resignation of Statutory Auditor during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note no. 45 to the Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) As the Company is not obligated to spend on CSR as per Section 135 of the Companies Act, 2013 and the rules framed therein, the reporting under this clause is not applicable.
- (xxi) As the company is not required to prepare the consolidated financial statements, the reporting under this clause is not applicable.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

K. Srinivasan
Partner

Membership No. 005809
UDIN: 24005809BKBZNO2981

Place: Chennai
Date: 15/05/2024

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'report on other legal and regulatory requirements' section of our Report of even date]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the Act)

We have audited the internal financial controls over financial reporting of WIL Car Wheels Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to Financial Statements

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting.

A Company's internal financial control over financial reporting with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control with reference to financial statements over financial reporting includes those policies and procedures that:

-
- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
 - (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statements and such internal financial controls over financial reporting with reference to financial statements were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place: Chennai
Date: 15/05/2024

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S

K. Srinivasan
Partner
Membership No. 005809
UDIN: 24005809BKBZNO2981

Balance Sheet as at

(Rs. In Lakhs)

PARTICULARS		Note No.	31.03.2024	31.03.2023
I ASSETS				
1. Non-current assets				
(a) Property, Plant and Equipment	1	17,114.93	12,753.52	
(b) Right of use asset	1A	36.88	22.13	
(c) Capital work-in-progress	2	266.07	4,378.41	
(d) Other Intangible Assets	3	6.56	6.02	
(e) Financial Assets				
Others	4	115.07	113.15	
(f) Deferred Tax Assets (Net)	17	1,852.46	1,336.60	
(g) Other Non Current Assets	5	6.93	26.92	
		19,398.90	18,636.75	
2. Current assets				
a) Inventories	6	3,394.66	3,256.82	
b) Financial Assets				
i) Trade receivables	7	2,159.80	2,327.07	
ii) Cash and cash equivalents	8	113.43	49.73	
iii) Bank Balances other than (ii) above	9	18.85	20.71	
iv) Others	10	53.96	35.22	
c) Current Tax Assets (Net)	11	71.28	58.17	
d) Other current assets	12	744.40	726.71	
		6,556.38	6,474.43	
TOTAL		25,955.28	25,111.18	
II EQUITY AND LIABILITIES				
EQUITY				
a) Share Capital	13	500.00	500.00	
b) Other Equity	14	3,037.72	4,515.49	
		3,537.72	5,015.49	
LIABILITIES				
1. Non-current liabilities				
a) Financial Liabilities				
i) Borrowings	15	3,578.12	1,973.40	
ii) Lease liabilities	15A	37.70	22.03	
b) Provisions	16	284.10	242.06	
c) Deferred tax liabilities (Net)	17	-	-	
		3,899.92	2,237.49	
2. Current liabilities				
a) Financial Liabilities				
i) Borrowings	18	1,491.80	2,312.35	
ii) Trade payables	19			
(A) Total outstanding dues of Micro enterprises and Small Enterprises		210.68	94.88	
(B) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises		15,305.88	14,336.44	
iii) Others	20	957.82	574.50	
b) Other current liabilities	21	524.56	523.63	
c) Provisions	22	26.90	16.40	
		18,517.64	17,858.20	
TOTAL		25,955.28	25,111.18	

SRIVATS RAM
Chairman
DIN: 00063415

HIDEKI AOYAMA
Director
DIN: 10222755

L RAJASEKAR
Executive Director
DIN: 08366162

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

May 15, 2024

K SRINIVASAN
Partner
Membership No.5809

Statement of Profit and Loss for the

(Rs. In Lakhs)

	Note no.	Year ended 31 March 2024	Year ended 31 March 2023
REVENUE FROM OPERATIONS			
Sale of Products		40,258.22	35,879.46
Sale of Services		163.81	174.84
Other operating revenues		<u>2,189.72</u>	<u>2,061.89</u>
Revenue from Operations - Gross		42,611.75	38,116.19
Other income	24	49.50	36.87
TOTAL REVENUE		<u>42,661.25</u>	<u>38,153.06</u>
EXPENSES			
Cost of materials consumed	25	35,213.37	31,702.20
Changes in inventories of finished goods, Work-in-progress	26	(147.83)	65.85
Employee benefits expense	27	3,585.83	3,159.10
Finance Cost	28	1,401.70	1,077.08
Depreciation and amortization expense	1&3	606.86	591.45
Other Expenses	29	<u>4,012.97</u>	<u>3,592.34</u>
TOTAL EXPENSES		<u>44,672.90</u>	<u>40,188.02</u>
Profit/ (Loss) before exceptional items and tax		<u>(2,011.65)</u>	<u>(2,034.96)</u>
Exceptional items		-	-
Profit/ (Loss) before tax		<u>(2,011.65)</u>	<u>(2,034.96)</u>
Tax expense:	31		
Current tax		-	-
Deferred tax		<u>(520.55)</u>	<u>(526.34)</u>
		<u>(520.55)</u>	<u>(526.34)</u>
Profit/ (Loss) for the year		<u>(1,491.10)</u>	<u>(1,508.62)</u>
Other Comprehensive Income ("OCI")			
A. Items that will not be reclassified into profit or loss			
- Remeasurements of post employment benefit obligations		18.02	(39.19)
Less: Tax on re-measurements		<u>(4.69)</u>	<u>10.19</u>
		<u>13.33</u>	<u>(29.00)</u>
Total Comprehensive Income/ (Loss) for the year		<u>(1,477.77)</u>	<u>(1,537.62)</u>
Earnings per equity share:	32		
1. Basic		(29.82)	(30.17)
2. Diluted		(29.82)	(30.17)
Significant Accounting Policies	A		

SRIVATS RAM
Chairman
DIN: 00063415

HIDEKI AOYAMA
Director
DIN: 10222755

L RAJASEKAR
Executive Director
DIN: 08366162

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

May 15, 2024

K SRINIVASAN
Partner
Membership No.5809

Statement of Cash Flow in accordance with Ind AS 7 issued by ICAI Annexed to the Balance Sheet for the

(Rs. in Lakhs)

	Year ended 31.3.2024	Year ended 31.3.2023
A Cash Flow from Operating Activities		
Net Profit before Tax and extraordinary items	(2,011.65)	(2,034.96)
Adjustment for:		
Depreciation	606.86	591.45
Gain/ (loss) on remeasurement of post employment benefit obligations	18.02	(39.19)
(Profit) / Loss on sale of assets	(0.11)	(9.70)
Loss on obsolescence	0.94	1.83
Interest income	(9.29)	(14.42)
Lease Liabilities	-	-
Finance costs	1,401.70	1,077.08
	2,018.12	1,607.05
Operating profit before working capital changes	6.47	(427.91)
Adjustments for:		
Trade Receivables	167.27	1,457.08
Advances and other current assets	(29.52)	(48.67)
Inventories	(137.84)	(273.23)
Trade Payables	1,085.25	544.91
Other payables and provisions	455.08	(100.18)
	1,540.23	1,579.92
Cash generated from operations	1,546.70	1,152.01
Taxes (paid)/ Refund received	(0.05)	11.66
Cash flow before extraordinary items	1,546.65	1,163.67
Net Cash from operating activities (A)	1,546.65	1,163.67
B Cash Flow from Investing Activities		
Purchase of fixed assets	(875.08)	(710.39)
Proceeds from sale of fixed assets	2.09	59.15
Interest received	5.12	13.90
Net cash used in investing activities (B)	(867.87)	(637.34)
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	3,000.00	-
Repayment of Long Term Borrowings	(1,064.36)	(437.71)
Increase / (Decrease) in working capital	(1,151.47)	929.23
Finance costs	(1,399.25)	(1,089.93)
Net cash used in Financing activities (C)	(615.08)	(598.41)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	63.70	(72.08)
Cash and cash equivalents at the beginning of the period	49.73	121.81
Cash and cash equivalents at the end of the period	113.43	49.73

The above statement of cash flow is prepared using indirect method

SRIVATS RAM
Chairman
DIN: 00063415

HIDEKI AOYAMA
Director
DIN: 10222755

L RAJASEKAR
Executive Director
DIN: 08366162

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

May 15, 2024

K SRINIVASAN
Partner
Membership No.5809

Notes on Accounts

COMPANY OVERVIEW

WIL Car Wheels Limited (“Company”) was incorporated on June 7, 2017 as a Public Limited Company domiciled in India and as a Subsidiary of Wheels India Limited. The Company is primarily in to the business of manufacture and distribution of Passenger Car Steel Wheels.

As per Business Slump Sale Agreement entered by and among the Company, Wheels India Limited (Chennai) and TOPY Industries Limited (Japan), the passenger car wheel business at Padi (Chennai) and Bawal (Haryana) has been transferred to the Company by Wheels India Limited on Slump Sale basis with effect from 01 September 2017.

Wheels India Limited holds 74% and Topy Industries Limited, Japan hold 26% of the share capital of the Company. The Registered office of the Company is at M.T.H. Road, Padi, Chennai – 600 050.

MATERIAL ACCOUNTING POLICY STATEMENT

a) Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

b) Significant Estimates and judgments

The areas involving critical estimates or judgments are:

- i) Defined benefit obligation - Refer Note 35.
- ii) Estimation of useful life of Property, Plant and Equipment – Refer Note A(d)
- iii) Estimation and evaluation of provisions and contingencies relating to tax litigations - Refer Note 44.

c) Basis of measurement

These financial statements are prepared under the historical cost convention unless otherwise indicated.

d) Property, Plant and Equipment

- a) Property, plant and equipment is stated at acquisition cost net of GST credits as reduced by accumulated depreciation and accumulated impairment losses, if any.
- b) Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.
- c) Depreciation on Property, Plant and Equipment has been provided under the Straight-Line Method in accordance with Schedule II of the Companies Act 2013.
- d) In accordance with Ind AS 23, the borrowing costs attributable to the qualifying assets that necessarily takes substantial period to get ready for its intended use are capitalised.
- e) 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) Inventories

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

f) Financial instruments

a) Financial assets:

Financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss, its transaction cost are recognised in the statement of Profit and Loss. In other cases, the transaction cost are attributed to the acquisition value of the financial assets. Financial assets are subsequently classified as measured at:

(i) Amortised cost

b) Trade receivables and loans:

Trade receivables and loans are initially recognised at transaction cost. .

g) Financial liabilities:

Financial liabilities are initially measured at amortised cost. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost using effective interest rate method.

h) Provisions and Contingent liabilities:

Provisions are recognised when the Company has a present obligation as a result of an event and is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligations. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. Contingent liabilities are disclosed when there is a possible obligation arising from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

i) Revenue recognition:

Revenue from Sale of Products

Revenue from sale of products is recognised at the point in time when control of the promised goods (an asset) is transferred to the customer, generally when the products are dispatched or appropriated in accordance with the terms of sale. With respect to revenue from sale of wheels, the Company operates predominantly on credit basis. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. There are no significant accounting judgements, estimates and assumptions relating to determination of the time of revenue from contracts with customers are involved as the contract with customers explicitly states the point in time at which the customer obtains control of the promised goods. The Contract with customers involves performance of a single obligation, the amount stated in the contract is the transaction price allocated to the performance obligation. Incremental Cost incurred to obtain or fulfil a contract with the customers not recognised as an asset, as the amortisation period of the assets is less than one year. Revenue is reduced for customer returns, commissions, rebates and discounts, and other similar allowances.

Rendering of services

Revenue from rendering services is recognised when performance obligation is satisfied and customer obtains the control of the transferred services. Following criteria is required to be met for transfer of control of services:

1. The customer simultaneously receives and consumes the benefits from the services transferred.
2. The Company has an enforceable right to payment for services transferred

Other Operating Revenue: Other operating revenue comprises of income from ancillary activities incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.

Interest Income: Interest income is recognised on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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

J) Employee Benefits:

i) Defined benefit plans:

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.

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.

Unencashed Leave Salary:

Unencashed leave salary is accounted on actuarial valuation and it is not funded

ii) Defined contribution plans:

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 equal to specified percentage of eligible covered employees salary.

Others:

Contributions to defined contribution schemes such as employees state insurance, labour welfare fund etc., are charged as expenses based on the amount of contribution required to be made. These benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond what has been recognised as expense in the Statement of profit and loss.

K) Research & Development expenses:

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

l) Operating Leases:

Where the Company is lessee

All outstanding leases as on the date of inception of Ind AS 116 have been recognized as per the Modified Retrospective Method. Lease liability is measured at the present value of the remaining lease payments, discounted at incremental borrowing rate as on the date of initial application. Right of use on leased assets is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. For all leases entered into subsequently, Lease Liability is measured on the lease commencement date, on a similar basis as

Notes on Accounts (Contd.)

mentioned above. Right of use on leased asset is measured at the value of lease liability, adjusted for (i) prior lease payments, (ii) lease incentives, (iii) initial direct costs incurred by lessee & (iv) estimated removal / dismantling cost of the underlying asset.

After the commencement date, the amount of lease liability is measured by adding the amount interest cost and reducing the amount of lease payments to the value of lease liability. The amount of Right of use on leased asset is depreciated over the life of the underlying asset on a straight line basis. Short term leases and leases with low value of underlying assets are not considered for lease accounting.

Where the Company is lessor

The Company's leased out assets are in the nature of operating leases and lease payments received are recognized as income on accrual basis during the lease term.

m) Foreign Currency Transactions

Transactions in Foreign currencies are accounted in the books of accounts at the rates prevailing at the date of the transaction. Exchange differences arising on the settlement of such transactions are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are retranslated at the rate of exchange prevailing on the Balance Sheet date.

n) 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

o) Income taxes

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. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on net basis.

Deferred tax is recognised using the Balance Sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized 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 certain that there will be sufficient future taxable income available to realise such assets.

Deferred tax assets and liabilities are measured at the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred liability is settled.

Statement of changes in equity

(Rs. in Lakhs)

	As at 31.03.2024	As at 31.03.2023
A Equity Share Capital		
Balance as at the beginning of the year	500.00	500.00
Changes in Equity share capital during the year	-	-
Balance at the end of the reporting year	500.00	500.00

B Other Equity (2023-24) - year ended 31 March 2024

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	OCI	Retained Earnings	Total
Balance as at 1 April 2023 (A)	-	8,300.00	-	(91.53)	(3,692.98)	4,515.49
Additions during the year						
Profit/ (Loss) for the year					(1,491.10)	(1,491.10)
Remeasurement benefit of defined benefit plans				13.33		13.33
Total Comprehensive Income / (Loss) for the year ended 31 March 2024 (B)	-	-	-	13.33	(1,491.10)	(1,477.77)
Reductions during the year						
Total (C)	-	-	-	-	-	-
Balance as at 31 March 2024 D = (A+B-C)	-	8,300.00	-	(78.20)	(5,184.08)	3,037.72

C) Other Equity (2022-23) - year ended 31 March 2023

Particulars	Capital Reserve	Securities Premium Reserve	General Reserve	OCI	Retained Earnings	Total
Balance as at 1 April 2022 (A)	-	8,300.00	-	(62.53)	(2,184.36)	6,053.11
Additions during the year:						
Profit/ (Loss) for the year					(1,508.62)	(1,508.62)
Remeasurement benefit of defined benefit plans				(29.00)		(29.00)
Total Comprehensive Income / (Loss) for the year ended 31 Mar 2023 (B)	-	-	-	(29.00)	(1,508.62)	(1,537.62)
Reductions during the year:						
Total (C)	-	-	-	-	-	-
Balance as at 31 March 2023 D = (A+B-C)	-	8,300.00	-	(91.53)	(3,692.98)	4,515.49

Nature and purpose of reserves:

The surplus/ (deficit) in the statement of profit and loss is part of retained earnings. This is available for distribution to shareholders as dividend and capitilisation.

Securities Premium Reserve:

This consists of premium realised on issue of shares and will be applied/ utilised in accordance with the provisions of the Companies Act, 2013

SRIVATS RAM
Chairman
DIN: 00063415

HIDEKI AOYAMA
Director
DIN: 10222755

L RAJASEKAR
Executive Director
DIN: 08366162

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

May 15, 2024

K SRINIVASAN
Partner
Membership No.5809

Notes on Accounts (Contd.)

NON CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakhs)

Note No. 1

Description	Gross Block at cost			Depreciation / Amortisation				Net Block	
	As at 1.4.2023	Additions	Deletions	As at 31.3.2024	As at 1.4.2023	Additions	Deletions	As at 31.3.2024	As at 31.3.2024
1.TANGIBLE ASSETS									
Land (Free hold)	1,351.10	0.41	-	1,351.51	-	-	-	-	1351.51
Buildings	5,028.40	601.87	-	5,630.27	573.47	170.87	-	744.34	4885.93
Plant & Equipment	9,450.43	4,289.38	9.37	13,730.44	2,750.61	379.04	5.51	3,124.14	10606.30
Furniture and Fixtures	218.47	5.01	-	223.48	53.16	19.42	-	72.58	150.90
Vehicles	1.56	-	-	1.56	0.38	0.13	-	0.51	1.05
Office Equipment	184.02	55.81	-	239.83	102.84	17.75	-	120.59	119.24
Total	16,233.98	4,952.48	9.37	21,177.09	3,480.46	587.21	5.51	4,062.16	17,114.93
1A. Right of use Assets									
Leased Vehicles	66.75	32.45	-	99.20	44.62	17.70	-	62.32	36.88
Total	66.75	32.45	-	99.20	44.62	17.70	-	62.32	36.88
3. OTHER INTANGIBLE ASSETS									
Computer Software	96.21	2.49	-	98.70	90.19	1.95	-	92.14	6.56
Total	96.21	2.49	-	98.70	90.19	1.95	-	92.14	6.56
Grand Total	16,396.94	4,987.42	9.37	21,374.99	3,615.27	606.86	5.51	4,216.62	17,158.37

Notes on Accounts (Contd.)

Previous Year

(Rs. in Lakhs)

Description	Gross Block at cost				Depreciation/Amortisation				Net Block
	As at 1.4.2022	Additions	Deletions	As at 31.3.2023	As at 1.4.2022	Additions	Deletions	As at 31.3.2023	As at 31.3.2023
1.TANGIBLE ASSETS									
Land (Free hold)	1,351.10	-	-	1,351.10	-	-	-	-	1351.10
Buildings	5,013.14	15.26	-	5,028.40	402.54	170.93	-	573.47	4454.93
Plant & Equipment	9,208.72	296.81	55.10	9,450.43	2,384.24	368.10	1.73	2,750.61	6699.82
Furniture and Fixtures	218.62	-	0.15	218.47	33.72	19.59	0.15	53.16	165.31
Vehicles	1.86	-	0.30	1.56	0.40	0.28	0.30	0.38	1.18
Office Equipment	157.78	26.30	0.06	184.02	87.39	15.51	0.06	102.84	81.18
Total	15,951.22	338.37	55.61	16,233.98	2,908.29	574.41	2.24	3,480.46	12,753.52
1A. Right of use Assets									
Leased Vehicles	47.67	19.08	-	66.75	30.71	13.91	-	44.62	22.13
Total	47.67	19.08	-	66.75	30.71	13.91	-	44.62	22.13
3. OTHER INTANGIBLE ASSETS									
Computer Software	95.95	0.26	-	96.21	87.06	3.13	-	90.19	6.02
Total	95.95	0.26	-	96.21	87.06	3.13	-	90.19	6.02
Total	16,094.84	357.71	55.61	16,396.94	3,026.06	591.45	2.24	3,615.27	12,781.67

2. CAPITAL WORK IN PROGRESS (CWIP)

Category	31.3.2024	31.03.2023
a) Buildings	-	137.63
b) Plant and Machinery	266.07	4,240.78
Total	266.07	4,378.41

2A. CWIP Ageing Schedule

Projects in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31.03.2024	266.07	-	-	-	266.07
As at 31.03.2023	321.10	1,086.99	416.18	2,554.15	4,378.41

Notes on Accounts (Contd.)

		(Rs. In Lakhs)	
		As at 31 March 2024	As at 31 March 2023
4	NON-CURRENT FINANCIAL ASSETS - OTHERS		
	Unsecured - Considered good		
	Security Deposits	115.07	113.15
		<u>115.07</u>	<u>113.15</u>
5	OTHER NON CURRENT ASSETS		
	Unsecured - Considered good		
	a) Advances for Capital goods	6.22	24.66
	Advance other than capital advance		
	- Prepaid expenses	0.71	2.26
		<u>6.93</u>	<u>26.92</u>
6	INVENTORIES		
	a) Raw Materials	2,056.67	2,127.76
	b) Work - in Progress	329.41	239.94
	c) Finished goods	330.18	271.82
	d) Stores and Spares	321.62	308.39
	e) Loose tools	356.78	308.91
		<u>3,394.66</u>	<u>3,256.82</u>
7	TRADE RECEIVABLES		
	Unsecured, considered good *	2,159.80	2,327.07
	* Refer Note 33	<u>2,159.80</u>	<u>2,327.07</u>
8	CASH AND CASH EQUIVALENTS		
	a) Balances with Banks (Current Accounts)	112.91	49.07
	b) Cash on hand	0.52	0.66
		<u>113.43</u>	<u>49.73</u>
9	BALANCES WITH BANK OTHER THAN CASH AND CASH EQUIVALENTS		
	a) Earmarked Fixed Deposit Balances - Margin money for Guarantee availed	18.85	20.71
		<u>18.85</u>	<u>20.71</u>
10	OTHER CURRENT FINANCIAL ASSETS (Unsecured, considered good)		
	a) Advances to employees	50.58	31.88
	b) Interest Receivable	3.38	3.34
		<u>53.96</u>	<u>35.22</u>

Notes on Accounts (Contd.)

		(Rs. In Lakhs)	
		As at 31 March 2024	As at 31 March 2023
11	CURRENT TAX ASSETS (Net)		
	Advance tax, Tax Deducted at Source and Tax Collected at Source less Provision for tax	71.28	58.17
		<u>71.28</u>	<u>58.17</u>
12	OTHER CURRENT ASSETS (Unsecured - Considered good)		
	Advances other than Capital Advances		
a)	Advances to Vendors	27.43	4.36
b)	Balance with GST authorities	443.32	514.05
c)	Export incentives receivable	-	8.76
d)	Prepaid expenses	273.65	199.54
		<u>744.40</u>	<u>726.71</u>
13	SHARE CAPITAL		
a)	Authorised		
	50,00,000 Equity Shares of Rs.10/- each	500.00	500.00
b)	Issued, Subscribed and Fully Paid-up		
	50,00,000 Equity Shares of Rs.10/- each	500.00	500.00

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

	31.3.2024		31.3.2023	
	No. of shares	Rs. In Lakhs	No. of shares	Rs. In Lakhs
Equity Shares of Rs.10/- each				
Outstanding at the beginning of the year	50,00,000	500.00	50,00,000	500.00
Add: Issued during the year	-	-		
Outstanding at the end of the year	<u>50,00,000</u>	<u>500.00</u>	<u>50,00,000</u>	<u>500.00</u>

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.

e) Shareholding of shareholders holding more than 5% of shares as at

	% of Holding	% of Holding
Wheels India Limited	74%	74%
Topy Industries Limited	26%	26%
	<u>100%</u>	<u>100%</u>

Notes on Accounts (Contd.)

(Rs. In Lakhs)

f) Shares held by the promoters at the end of the year

Name of the promotor	% of Holding
Wheels India Limited	74%
Topy Industries Limited	26%
	100%

14. OTHER EQUITY

	As at 31 March 2024	As at 31 March 2023
a) Securities Premium Reserve	8,300.00	8,300.00
b) Retained Earnings	(3,692.98)	(2,184.36)
c) Other comprehensive income *	<u>(78.20)</u>	<u>(91.53)</u>
Total	4,528.82	6,024.11
d) Current year profit / (loss)	(1,491.10)	(1,508.62)
Grand Total	<u>3,037.72</u>	<u>4,515.49</u>

* OCI relating to re-measurement of post employee benefit obligation

NON CURRENT FINANCIAL LIABILITIES

15 BORROWINGS

A. SECURED

Term Loans

(i) From Banks

Secured by way of hypothecation of exclusive first charge on fixed assets of the Company at Mambattu, Andhra Pradesh, 100% credit guarantee from National Credit Guarantee Trustee Company and fixed assets of the Company at Vanod, Gujarat.

1,518.69 1,973.40

(ii) From Other Parties

Secured by way of equitable mortgage with exclusive charge over Industrial Land and Bulding of the Company at Bawal, Haryana.

2,059.43 -

3,578.12 1,973.40

* Above loans are repayable over a period of 4-5 years from the date of disbursement as per the terms of agreement.

15 A Lease liabilities

Lease liabilities

37.70 22.03

37.70 **22.03**

16 PROVISIONS

Provision for employee benefits

284.10 242.06

284.10 **242.06**

17 DEFERRED TAX (ASSET) / LIABILITIES (NET)

Deferred Tax Liabilities

1,266.63 961.56

Deferred Tax Assets

(3,119.09) (2,298.16)

(1,852.46) **(1,336.60)**

Notes on Accounts (Contd.)

(Rs. In Lakhs)

Movement in Deferred Tax Assets and Liabilities

	As at 01.04.2023	Recognised in Statement of profit or loss	As at 31.3.2024
Deferred Tax Liability			
Plant, Property and Equipment	961.56	305.07	1,266.63
Less:			
Deferred Tax Asset			
i) Unabsorbed depreciation/ Business Loss under the Income Tax Act, eligible for set off in subsequent financial years	(2,210.37)	(704.96)	(2,915.33)
ii) Preliminary expenses to be claimed in subsequent years	-	-	-
iii) Expenses not admissible	(39.96)	(115.97)	(155.93)
iv) Minimum Alternate Tax credit entitlement	(47.83)	-	(47.83)
vi) Others	-	-	-
	(1,336.60)	(515.86)	(1,852.46)

	As at 01.04.2022	Recognised in Statement of profit or loss	As at 31.3.2023
Deferred Tax Liability			
Plant, Property and Equipment	796.99	164.57	961.56
Less:			
Deferred Tax Asset			
i) Unabsorbed depreciation under the Income Tax Act, eligible for set off in subsequent financial years	(1,517.70)	(692.67)	(2,210.37)
ii) Preliminary expenses to be claimed in subsequent years	-	-	-
iii) Expenses not admissible	(31.53)	(8.43)	(39.96)
iv) Minimum Alternate Tax credit entitlement	(47.83)	-	(47.83)
v) Others	-	-	-
	(800.07)	(536.53)	(1,336.60)

Notes on Accounts (Contd.)

	As at 31 March 2024		(Rs. In Lakhs) As at 31 March 2023	
18 CURRENT FINANCIAL LIABILITIES				
A. BORROWINGS - SECURED				
a) Loans repayable on demand from Banks				
- Cash Credit Facility	16.68		353.15	
- Working Capital Demand Loan (WC DL)	495.00	511.68	1,070.00	1,423.15
Secured by hypothecation by way of first charge on all plant and machinery present and future, stock of raw materials, work-in-process, finished goods, consumable stores and spares, goods-in-transit and book debts.				
B. UNSECURED				
a) Loans repayable on demand from Banks (WC DL)		-		240.00
C. Current Maturities of Long Term Borrowings				
(i) From Banks		454.71		649.20
(ii) From Other Parties		525.41		-
(Refer Note 15 for security details)		1,491.80		2,312.35
19 TRADE PAYABLES *				
Dues to Micro Enterprises and Small Enterprises		210.68		94.88
Dues to others		15,305.88		14,336.44
		15,516.56		14,431.32
* Refer Note 33				
20 OTHER FINANCIAL LIABILITIES				
a) Interest accrued but not due		22.30		19.85
b) Creditors for capital goods		24.27		24.27
c) Security deposit from Customers		24.46		16.37
d) Liabilities for expenses		886.79		514.01
		957.82		574.50
21 OTHER CURRENT LIABILITIES				
Statutory dues		524.56		523.63
		524.56		523.63
22 PROVISIONS				
Provision for employee benefits		26.90		16.40
		26.90		16.40
23 CURRENT TAX LIABILITIES				
Provision for Taxation less Advance Tax and Tax deducted at Source		-		-
		-		-

Notes on Accounts (Contd.)

	Rs. In Lakhs	
	For the year ended 31 March 2024	For the year ended 31 March 2023
24 OTHER INCOME		
a) Interest on deposits and advances	9.29	14.42
b) Profit on sale of fixed assets	0.11	9.70
c) Other non-operating income	40.10	12.75
	<u>49.50</u>	<u>36.87</u>
25 RAW MATERIAL CONSUMPTION		
Raw Material	34,296.16	30,914.96
Components	917.21	787.24
	<u>35,213.37</u>	<u>31,702.20</u>
26 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
a) Opening inventory of Finished Goods	271.82	346.36
Less: Closing inventory of Finished Goods	330.18	271.82
Net change in stock of Finished Goods	<u>(58.36)</u>	<u>74.54</u>
b) Opening inventory of Work in Progress	239.94	231.25
Less: Closing inventory of Work in Progress	329.41	239.94
Net change in stock of Work in Progress	<u>(89.47)</u>	<u>(8.69)</u>
Net change in Finished Goods and Work in Progress	<u>(147.83)</u>	<u>65.85</u>
27 EMPLOYEE BENEFITS EXPENSE		
a) Salaries and Wages	3,223.10	2,820.43
b) Contribution to Provident and Other Funds	128.35	115.95
c) Staff Welfare expenses	234.38	222.72
	<u>3,585.83</u>	<u>3,159.10</u>
28 FINANCE COSTS		
a) Interest expense	1,391.97	1,074.81
b) Interest expense - Right to use asset	3.67	2.27
Interest expense - others	6.06	-
	<u>1,401.70</u>	<u>1,077.08</u>

Notes on Accounts (Contd.)

(Rs. In Lakhs)

	For the year ended 31 March 2024		For the year ended 31 March 2023	
29 OTHER EXPENSES				
Consumption of Stores, tools and spare parts		887.06		809.90
Power and fuel		1,564.08		1,425.54
Rent including Lease Rent		43.92		39.04
Repairs to				
Buildings	74.39		66.69	
Plant and Equipment	48.95	123.34	35.56	102.25
Insurance		42.20		48.38
Rates and taxes, excluding taxes on income		28.92		26.88
Directors sitting fees		3.75		3.45
Auditors' remuneration				
Statutory Audit	9.50		9.50	
Tax Audit	2.50		2.50	
Other Services	1.00		1.00	
Expenses	1.05	14.05	0.89	13.89
Net loss on foreign currency transaction and translation		0.49		0.71
Freight		304.16		246.43
Loss on sale of fixed assets (net)		-		-
Miscellaneous expenses		1,001.00		875.87
		4,012.97		3,592.34

30 FINANCIAL INSTRUMENTS

A. Accounting classifications and fair values

The carrying amounts and fair value of financial instruments by class are as follows:

	As at 31.03.2024	As at 31.03.2023
Financial assets:		
Financial assets measured at fair value:	Nil	Nil
Investments measured at		
i. Fair value through other comprehensive income	-	-
ii. Fair value through profit or loss	-	-
iii. Derivative financial instruments	-	-

Notes on Accounts (Contd.)

(Rs. in Lakhs)

	As at 31.03.2024	As at 31.03.2023
Financial assets measured at amortised cost:		
Trade receivables	2,159.80	2,327.07
Cash and cash equivalents	113.43	49.73
Bank balances other than cash and cash equivalents	18.85	20.71
Loans	-	-
Other financial assets	53.96	35.22
Financial liabilities:		
Financial liabilities measured at fair value:		
Lease Liabilities	37.70	22.03
Borrowings	-	-
Derivative financial instruments	-	-
Financial liabilities measured at amortised cost:		
Long term Borrowings	3,578.12	1,973.40
Short term Borrowings (less than 12 months)	1,491.80	2,312.35
Trade payables	15,516.56	14,431.32
Other financial liabilities	957.82	574.50

B (i) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 hierarchy - Includes Financial Instruments measured using quoted prices in the active market

Level 2 hierarchy - The fair value of financial instruments that are not traded in an active market, is determined using valuation techniques which maximise the use of observable market data.

Level 3 hierarchy - Includes financial instruments for which one or more of the significant inputs are not based on observable market data. This is applicable for unlisted securities.

There are no transfer between levels 1 and 2 during the year

(ii) Valuation processes:

The finance department of the Company performs the valuation of financial assets and liabilities required for financial reporting purposes.

(iii) Fair value of financial assets and liabilities measured at amortised cost:

The carrying amounts of trade receivables, trade payables, deposits, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature and insignificant change in interest rate.

	For the year ended 31 March 2024	For the year ended 31 March 2023
31 INCOME TAX EXPENSE		
A Components of Income Tax Expense		
i) Tax Expense recognised in Statement of Profit and Loss		
a) Current Tax on current year tax income	-	-
b) Deferred Tax Liability/ (Asset) on origination and reversal of temporary difference	(520.55)	(526.34)
	(520.55)	(526.34)
ii) Tax Expenses recognised in other comprehensive income	4.69	(10.19)

B Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in India as follows:

	31 March 24	31 March 23
Accounting Profit/ (loss) before income tax	(2,011.65)	(2,034.96)
Enacted tax rate in India (%)	26.00%	26.00%
Profit/(Loss) before income tax multiplied by enacted tax rate	(523.03)	(529.09)
Expenses not allowed for tax purposes	-	-
Permanent differences	-	-
Others	2.48	2.75
Opening Adjustments	-	-
Non deductible expenses	-	-
Overseas taxes	-	-
Adjustment in respect of current income tax of previous year	-	-
	(520.55)	(526.34)

	31 March 2024	31 March 2023
32 Earnings Per Share		
Net profit as per Statement of Profit and Loss	(1,491.10)	(1,508.62)
Weighted Average Number of Shares	5000000	5000000
Nominal value per share - Rupees	10.00	10.00
Basic & Diluted earnings per share - Rupees	(29.82)	(30.17)

Notes on Accounts (Contd.)

(Rs. in Lakhs)

33 AGEING OF TRADE RECEIVABLES - OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE

As at 31st March 2024

Sl. No.	Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	Undisputed trade receivables - considered good	1,938.32	161.01	14.16	16.99	29.27	0.05	2,159.80
ii)	Undisputed trade receivables - considered doubtful	-	-	-	-	-	-	-
iii)	Disputed trade receivables - considered good	-	-	-	-	-	-	-
iv)	Disputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Total		1,938.32	161.01	14.16	16.99	29.27	0.05	2,159.80

As at 31st March 2023

Sl. No.	Particulars	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	Undisputed trade receivables - considered good	1,906.00	354.93	22.59	40.61	2.94	-	2,327.07
ii)	Undisputed trade receivables - considered doubtful	-	-	-	-	-	-	-
iii)	Disputed trade receivables - considered good	-	-	-	-	-	-	-
iv)	Disputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Total		1,906.00	354.93	22.59	40.61	2.94	-	2,327.07

AGEING OF TRADE PAYABLES - OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE**As at 31st March 2024**

Sl. No	Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	MSME	207.19	3.48	-	-	-	210.68
ii)	Others	14,485.46	802.82	17.60	-	-	15,305.88
iii)	Disputed dues - MSME	-	-	-	-	-	-
iv)	Disputed dues - Others	-	-	-	-	-	-
	Total	14,692.65	806.31	17.60	-	-	15,516.56

As at 31st March 2023

Sl. No	Particulars	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
i)	MSME	94.73	0.15	-	-	-	94.88
ii)	Others	12,953.19	1,380.74	2.51	-	-	14,336.44
iii)	Disputed dues - MSME	-	-	-	-	-	-
iv)	Disputed dues - Others	-	-	-	-	-	-
	Total	13,047.92	1,380.89	2.51	-	-	14,431.32

Unsecured - Considered good

- a) Advances for Capital goods
Advance other than capital advance
- Prepaid expenses

	31 March 2024	31 March 2023
	6.22	24.66
	0.71	2.26
	6.93	26.92

34 DISCLOSURES REQUIRED UNDER THE "MICRO, SMALL AND MEDIUM ENTERPRISES ACT, 2006**Particulars**

- a. The Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year
- Principal amount due to micro and small enterprises
 - Interest due on above
- b. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year

	31 March 2024	31 March 2023
	210.68	94.88
	-	-
	-	-

Notes on Accounts (Contd.)

(Rs. in Lakhs)

Particulars	31 March 2024	31 March 2023
c. The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	5.84	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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.

35 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 administered through trustees / Life Insurance Corporation of India. The Company's defined contribution plans are Provident Fund, 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 fund is being maintained with Regional Provident Fund Commissioner and hence the company has no obligations towards this interest contribution.

The liability in respect of Gratuity is determined on the basis of actuarial valuation and provided for in the Statement of Profit and Loss are disclosed as below:

	Gratuity (funded) 2023-24	Gratuity (funded) 2022-23
Change in defined benefit obligation		
Opening defined benefit obligation		
Current service cost	305.59	274.71
Interest cost	21.66	19.36
Actuarial loss / (gain) due to Change in Demographic & Financial Assumptions	21.92	17.61
Actuarial loss / (gain) arising from Experience adjustments	7.68	(8.37)
Benefits paid	(28.60)	45.57
Effect of Business combination/ disposals	(3.79)	(43.29)
Closing defined benefit obligation	-	-
Change in fair value of assets	324.46	305.59

Notes on Accounts (Contd.)

(Rs. in Lakhs)

	Gratuity (funded) 2023-24	Gratuity (funded) 2022-23
Opening fair value of plan assets		
Expected return on plan assets	188.74	202.98
Actuarial gain / (Loss) arising from Return on plan assets	14.12	13.24
Contribution by employer	(2.90)	(2.00)
Benefits paid	17.58	17.81
Effect of Business combination/ disposals	(3.79)	(43.29)
Closing fair value of plan assets	-	-
Amount recognised in the Balance Sheet	213.75	188.74
Present value of obligations at year end		
Fair value of plan assets at year end	324.46	305.59
Amount now recognised as (liability)/ asset	213.75	188.74
Net (liability) / asset recognised as on 31st March	(110.71)	(116.85)
	(110.71)	(116.85)

Expenses recognised in the Profit & Loss Statement

	Gratuity (funded) 2023-24	Gratuity (funded) 2022-23
a) Current Service cost	21.66	19.36
b) Interest on defined benefit obligation	21.92	17.61
c) Expected return on plan assets	(14.12)	(13.24)
d) Benefits transferred	-	-
e) Actuarial Gain/Loss	-	-
f) Net actuarial loss / (gain) recognised in the current year	-	-
Remeasurement on the net defined benefit liability		
g) Actuarial loss / (gain) due to Change in Demographic & Financial Assumptions	7.68	(8.37)
h) Actuarial loss / (gain) arising from Experience adjustments	(28.60)	45.57
i) Actuarial gain / (Loss) arising from Return on plan assets	2.90	2.00
Grand Total	11.44	62.93
Expenses recognised in the Profit & Loss A/c	29.46	23.73
Expenses recognised in Other Comprehensive Income	(18.02)	39.20
Principal actuarial assumptions used		
Discount rate (p.a)	6.97%	7.22%
Expected rate of return on plan assets (p.a)		
Attrition rate	1-3%	1-3%
Salary escalation	5.00%	5.00%
Mortality Rate is IALM (2006-08) Ultimate constantly for both the plans		

Notes on Accounts (Contd.)

(Rs. in Lakhs)

Risk Exposure:

Through its defined benefit plans, the Company is exposed to some of the general risks such as Interest rate risk, Longevity risk and Salary escalation risk, which are insignificant and not specific to the Company.

The Sensitivity Analysis of the Impact of Changes in the above assumption (by 0.50%) is given in the below tables:

a) Gratuity

Change in Assumption	Increase in Assumption	Decrease in Assumption	Increase in Assumption	Decrease in Assumption
	2023-24	2023-24	2022-23	2022-23
Discount	309.38	340.74	290.42	322.00
Salary escalation	340.78	309.23	322.02	290.29
Mortality	324.56	324.37	305.70	305.48
Attrition	324.77	324.15	305.98	305.20

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

36 Segment Information in accordance with Ind As 108 for the year:

(i) Primary segments:

Automotive components is the only reportable segment of the company.

(ii) Revenue by Geographical Segment:

Particulars	2023-24			2022-23		
	India	Outside India	Total	India	Outside India	Total
Revenue from Operations	42,611.75	-	42,611.75	38,115.17	1.02	38,116.19
Internal	-	-	-	-	-	-
Total	42,611.75	-	42,611.75	38,115.17	1.02	38,116.19
Carrying amount of segment assets	25,955.28	-	25,955.28	25,111.18	-	25,111.18
Additions to fixed assets	4,987.42	-	4,987.42	357.71	-	357.71

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.

(iii) Information about major customers

Revenue from one customer of the Company exceeding 10% of the Company's total revenue is Rs. 27,593.63 Lakhs. (Previous year - Three customers exceeding 10% of the Company's total revenue Rs. 20,165.58 Lakhs, Rs. 5,258.57 Lakhs and Rs. 4,123.07 Lakhs)

Notes on Accounts (Contd.)

37 DISAGGREGATED REVENUE INFORMATION

(Rs. In Lakhs)

A Type of goods and service	31 March 2024	31 March 2023
a) Sale of products		
- Wheels	40,258.22	35,879.46
b) Sale of services	163.81	174.84
c) Other operating revenues		
- Scrap Sales	2,184.46	2,061.91
- Packing and forwarding charges	-	(0.02)
- Export Incentives	-	-
- others	5.26	-
Total operating revenue	42,611.75	38,116.19
In India	42,611.75	38,115.17
Outside India	-	1.02
	At a point of time	
B Timing of revenue recognition		
Sale of products and other operating income	42,611.75	38,116.19
	31 March 2024	31 March 2023
C Contract Balances		
Trade receivables (Refer Note 7)	2,159.80	2,327.07
(not interest bearing and are generally on terms of 30 to 90 days)		
D Revenue recognised in relation to contract liabilities	Nil	Nil
E Reconciliation of revenue recognised in the statement of profit and loss with the contracted price		
Revenue at contracted prices	42,611.75	38,116.19
Revenue from contract with customers	42,611.75	38,116.19
Difference	-	-
F Unsatisfied or partially satisfied performance obligation	Nil	Nil

38 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

39 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, include trade and other payables. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and approves policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans, deposits and FVTPL investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since there is no short term borrowings during the year with variable interest rates, this does not arise.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Majority of the Company's revenue and expenses are in Indian Rupees. The risk with respect to exposure in Foreign Currency if any will be mitigated through hedging transactions.

Notes on Accounts (Contd.)

(Rs. In lakhs)

Unhedged foreign currency

As at the balance sheet date, the Company's net foreign currency exposure that is not hedged is as follows:

Particulars	31.3.2024	31.3.2023
Trade Payables	-	-
Trade Receivables	-	-
Advance to suppliers	-	-

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Details	Impact on profit	
	31.3.2024	31.3.2023
USD sensitivity		
INR/USD increases by 5%	-	-
INR/USD decreases by 5%	-	-

Credit

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Management reviews the receivables outstanding frequently and hence there is a very minimal risk

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure funds are available for use as per requirements. The Company's prime source of liquidity is cash and cash equivalents and the cash generated from operations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2024	Less than 1 year	> 1 year	Total
Long Term Borrowings	980.12	3,578.12	4,558.24
Short Term Borrowings	511.68	-	511.68
Trade and other payables	15,498.96	17.60	15,516.56
Other financial liabilities	957.82	-	957.82
	17,948.59	3,595.72	21,544.31
As at 31 March 2023	Less than 1 year	> 1 year	Total
Long Term Borrowings	649.20	1,973.40	2,622.60
Short Term Borrowings	1,663.15	-	1,663.15
Trade and other payables	14,428.81	2.51	14,431.32
Other financial liabilities	574.50	-	574.50
	17,315.66	1,975.91	19,291.57

Notes on Accounts (Contd.)

40 RELATED PARTY DISCLOSURES IN ACCORDANCE WITH IND AS 24 ISSUED BY ICAI

(Rs. In lakhs)

Holding Company

Wheels India Limited

Associate Company

Topy Industries Limited, Japan

Sundaram Finance Limited

Key Managerial Personnel

Mr. L Rajasekar, Executive Director

Transaction during the year	2023-24	2022-23
Nature of transactions		
A. Wheels India Limited		
Purchase of goods	2,664.90	267.35
Contract Manufacturing Charges	849.55	972.92
Rent payments	7.58	7.58
Receiving of Common Services	141.65	100.02
Sale of goods	4,546.46	6,890.11
Rendering of Common services	-	-
Rent receipts	40.72	4.08
B. Topy Industries Limited, Japan		
Royalty	354.02	309.37
Reimbursement of Expenses	-	-
Professional Services received	-	-
C. Sundaram Finance Limited		
Lease rental	23.14	17.18
General purpose Corporate Loan	3,000.00	-
Interest on General purpose Corporate Loan	235.54	-
Closing balances		
Balance due (receivable from)		
Wheels India Limited	159.44	362.71
Balance due (payable to)		
Wheels India Limited	1,438.75	582.54
Topy Industries Limited (Net of TDS)	632.44	278.42
Sundaram Finance Limited (including interest accrued upto year end)	2,599.86	-
Key Managerial Personnel		
Mr. L Rajasekar, Executive Director		
Remuneration and Perquisites *	60.42	54.93

* As the liability for defined benefit plans are provided on actuarial basis for the company as a whole, hence the amount pertaining to key managerial personnel is not included in the above.

41 DISCLOSURE ON ACCOUNTING FOR INTANGIBLE ASSETS IN ACCORDANCE WITH IND AS 38

	2023-24	2022-23
Computer software & Technical know how (Refer note no.3)		
Gross carrying amount at the beginning of the year	96.21	95.95
Acquired during the year	2.49	0.26
Gross carrying amount at the end of the year	98.70	96.21
Gross amortisation at the beginning of the year	90.19	87.06
Amortised during the year	1.95	3.13
Gross amortisation at the end of the year	92.14	90.19
Net carrying amount at the beginning of the year	6.02	8.89
Net carrying amount at the end of the year	6.56	6.02

42 DISCLOSURES AS UNDER IND AS 116

	2023-24	2022-23
Depreciation Charge for right of use on leased assets		
(i) Leased Vehicle	17.70	13.91
Interest expenses on lease liabilities	3.67	2.27
Expenses relating to short-term leases	5.57	12.39
Expenses relating to leases of low-value assets	-	-
Expenses relating to variable lease payments	-	-
Income from subleasing right-of-use assets	-	-
Total cash outflow for leases	23.14	10.32
Additions to right-of-use assets	32.45	19.08
Gains or Losses arising from sale and leaseback transactions	-	-
Carrying amount of right-of use assets at the end of the Financial Year		
(i) Leased Vehicle	36.88	22.13

43 BORROWING COST IN ACCORDANCE WITH WITH IND AS 23

	2023-24	2022-23
Borrowing costs capitalised during the year	-	120.18

The capitalisation rate used for Borrowing costs is the rate at which the term loans were availed for specific purpose

44 COMMITMENT AND CONTINGENCIES

	2023-24	2022-23
A. Estimated amount of contracts pending to be executed on capital account and not provided for (net of advances)	60.65	304.22
B. Contingent Liabilities in respect of Guarantees	124.70	72.30

Notes on Accounts (Contd.)

45 KEY RATIOS

S. No.	Analytical Ratios	2023-24	2022-23	Basis (Numerator/Denominator)
1	Current ratio	0.39	0.42	Current Assets/(Current Liabilities-Borrowings)
2	Debt-Equity Ratio (Refer Note A below)	1.43	0.85	Debt/Equity
3	Debt Service Coverage Ratio (Refer Note B below)	0.22	0.09	(Int+Repayments)/ Earnings available for debt service
4	Return on Equity (Refer Note B below)	-34.87%	-26.08%	Profit after Tax /Average Net Worth
5	Inventory Turnover ratio	13.09	12.67	(Cost of materials consumed + Change in inventory)/ Average Inventory
6	Trade receivables Turnover ratio (Refer Note C below)	18.02	11.80	Sale of Products and Services / Average Trade receivables
7	Trade Payables turnover ratio	2.43	2.33	(Consumption of goods and services)/ Average Trade Payables
8	Net Capital turnover ratio	(4.37)	(4.61)	Total Revenue / Average Working Capital
9	Net profit ratio	-3.50%	-3.95%	Profit after Tax /Total Revenue
10	Return on Capital employed (Refer Note D below)	-6.82%	-9.76%	Earnings before interest and Tax / Average Tangible Capital employed
11	Return on Investments	NA	NA	-

Note: Explanation for change in ratio by more than 25%

- A. The change is on account of Rs.30 Cr Loan obtained from SFL in FY24 primarily for improving the cash cycle.
- B. Impact due to increase in Finance costs due to the fresh loans, reduction in DTA and continuing loss situation.
- C. Impact due to increased turnover coupled with better collection from customers.
- D. Impact due to increase fresh loans taken to supplement fund requirements and reduction in PBT / Losses by 0.62% (12% improvement).

46 OTHER REGULATORY DISCLOSURES AS REQUIRED UNDER REVISED SCHEDULE III OF COMPANIES ACT, 2013

- I No Proceeding has been initiated or pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- II Company has not been declared as wilful defaulter by Bank or Financial institution or other lender

- III As per the information available with the company, the company has not transacted with any companies struck off under Section 248 of the Companies Act, 2013 or under Section 560 of the Companies Act, 1956
- IV There has been no charges yet to be registered with the Registrar of Companies (ROC) beyond the statutory period
- V Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources) to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- VI Company has not received any fund from any person(s) or entity (ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- VII Company has not traded or invested in Crypto currency or virtual currency during the financial year ended March 31, 2024.
- VIII The Company has not given any loans or advances in the nature of loans to Promoters, Directors, Key Managerial Personnel and Related parties, which are repayable on demand or without specifying any terms or period of repayment.
- IX During the year, the Company has borrowings from banks on the basis of security of current assets. Statements were filed with the banks on a periodical basis and the same are in agreement with the books of accounts.

47 The provisions of sec. 135 of the Companies Act, 2013 are not applicable to the Company during the year.

48 Previous year figures have been regrouped wherever necessary to conform to current year classification

SRIVATS RAM
Chairman
DIN: 00063415

HIDEKI AOYAMA
Director
DIN: 10222755

L RAJASEKAR
Executive Director
DIN: 08366162

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

May 15, 2024

K SRINIVASAN
Partner
Membership No.5809