

**ENKEI WHEELS (INDIA) LIMITED**

(CIN - L34300PN2009PLC133702)

**Factory & Registered Office:** Gat No. 1425 Village Shikrapur, Tal. Shirur, Pune  
Maharashtra, India 412 208. Tel. : +91-2137-618700, Fax : +91-2137-618720  
E-Mail : info@enkei.in, Website : www.enkei.in

ISO/TS  
16949:2009  
ISO 14001:2004www.tuv.com  
ID 9105060168**Date:** 18<sup>th</sup> February, 2021.

To,

The Corporate Relation Department,  
BSE Limited, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001.

**Subject:** Submission of audited financial results for Quarter and Year ended as on 31st  
December, 2020 and statement of cash flow as on date.

**Ref:** Scrip Code 533477

Dear Sir,

- i) Pursuant to the Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements), 2015 we have enclosed herewith Standalone Audited Financial Results for the Quarter and Year ended as on 31<sup>st</sup> December 2020.

The said Audited Financial Results have been reviewed by Audit Committee & approved by the Board of Directors in their respective meetings held on 18<sup>th</sup> February 2021.

- ii) In accordance with Section 204 of Companies Act, 2013 and Rule of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 M/s. Shailesh Indapurkar & Associates, Company Secretaries, was appointed as Secretarial Auditor of the Company for the FY 2021.

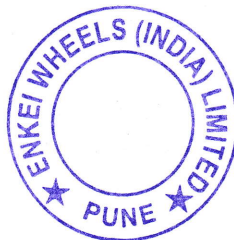
This is for your information &amp; record.

Conclusion time of meeting: 01 : 25 P.M.

Thanking You,

**FOR ENKEI WHEELS (INDIA) LIMITED**

**KAZUO SUZUKI**  
**MANAGING DIRECTOR**  
**DIN: 08350372**

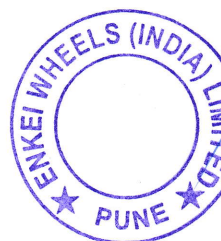


**Audited Financial Results for the Quarter and Year Ended 31st December, 2020**

(All amounts in million rupees, unless otherwise stated)

| Sr No       | Particulars   | For the Quarter ended  |                |                        | For the Year ended | For the Year ended |
|-------------|---|------------------------|----------------|------------------------|--------------------|--------------------|
|             |   | 31-Dec-20              | 30-Sep-20      | 31-Dec-19              | 31-Dec-20          | 31-Dec-2019 (9M)*  |
|             |   | (Audited) Refer Note 2 | (Unaudited)    | (Audited) Refer Note 2 | (Audited)          | (Audited)          |
| <b>I</b>    | <b>Income from operations</b>   |                        |                |                        |                    |                    |
|             | Revenue from Operations   | 814.79                 | 758.26         | 536.06                 | 2,352.03           | 2,667.58           |
|             | b) Other operating income   |                        |                |                        |                    |                    |
| <b>II</b>   | Other Income  | 3.19                   | 3.40           | 2.94                   | 13.92              | 3.05               |
| <b>III</b>  | <b>Total Revenue (I + II)</b>   | <b>817.98</b>          | <b>761.66</b>  | <b>539.00</b>          | <b>2,365.95</b>    | <b>2,670.63</b>    |
| <b>IV</b>   | <b>Expenses</b>   |                        |                |                        |                    |                    |
|             | a) Cost of materials consumed   | 525.91                 | 354.31         | 317.79                 | 1,225.96           | 1,435.49           |
|             | b) Purchases of stock-in-trade  | 0.00                   | (0.00)         | 0.35                   | 0.36               | 1.23               |
|             | c) Changes in inventories of finished goods, stock-in-trade and work-in-progress  | (166.88)               | 65.01          | (45.13)                | 31.22              | (32.15)            |
|             | d) Employee benefits expense  | 80.64                  | 83.26          | 87.38                  | 322.79             | 279.29             |
|             | e) Finance Costs  | 24.40                  | 14.35          | 14.15                  | 121.09             | 44.79              |
|             | f) Depreciation and amortisation expense  | 52.64                  | 60.49          | 64.08                  | 217.66             | 177.60             |
|             | g) Consumption of stores & spares   | 80.44                  | 56.71          | 67.50                  | 189.30             | 269.36             |
|             | h) Other Expenses   | 195.34                 | 162.10         | 195.28                 | 583.86             | 760.78             |
|             | <b>Total Expenses (IV)</b>  | <b>792.50</b>          | <b>796.24</b>  | <b>701.41</b>          | <b>2,692.25</b>    | <b>2,936.39</b>    |
| <b>V</b>    | <b>Profit before exceptional items and tax (III-IV)</b>   | <b>25.49</b>           | <b>(34.58)</b> | <b>(162.41)</b>        | <b>(326.30)</b>    | <b>(265.76)</b>    |
| <b>VI</b>   | Exceptional items Loss/(Income)   | -                      | -              | (289.71)               | -                  | (317.18)           |
| <b>VII</b>  | <b>Profit (+) / Loss (-) before tax (V-VI)</b>  | <b>25.49</b>           | <b>(34.58)</b> | <b>127.30</b>          | <b>(326.30)</b>    | <b>51.42</b>       |
| <b>VIII</b> | Tax Expense   | <b>4.85</b>            | <b>(5.60)</b>  | <b>(10.30)</b>         | <b>(12.72)</b>     | <b>24.17</b>       |
|             | a) Current tax - Current year   | -                      | -              | 18.91                  | -                  | 18.91              |
|             | b) Current Tax - Prior years  | 3.16                   | -              | (13.57)                | (4.35)             | (12.92)            |
|             | c) Mat credit - Prior years   | -                      | -              | (11.81)                | -                  | (11.81)            |
|             | d) Deferred tax   | 1.69                   | (5.60)         | (3.82)                 | (8.36)             | 30.00              |
| <b>IX</b>   | <b>Profit (Loss) for the period (VII-VIII)</b>  | <b>20.64</b>           | <b>(28.98)</b> | <b>137.60</b>          | <b>(313.58)</b>    | <b>27.25</b>       |
| <b>X</b>    | <b>Other Comprehensive (Loss) / Income</b>  |                        |                |                        |                    |                    |
|             | <b>A Items that will not be reclassified to profit or loss</b>  |                        |                |                        |                    |                    |
|             | Gain/(loss) of defined benefit obligation   | (0.23)                 | 2.37           | 0.41                   | 0.53               | (3.11)             |
|             | Income tax effect   | 0.07                   | (0.74)         | (0.14)                 | (0.27)             | 1.04               |
|             | <b>B Items that will be reclassified to profit or loss</b>  |                        |                |                        |                    |                    |
|             | Effective portion of gain/(loss) on hedging instruments in cash flow hedge  | 0.34                   | 2.56           | 4.33                   | 4.67               | (15.77)            |
|             | Income tax effect   | (0.11)                 | (0.80)         | (1.45)                 | (1.80)             | 5.26               |
|             | <b>Total Other Comprehensive (Loss) / Income</b>  | <b>0.08</b>            | <b>3.39</b>    | <b>3.16</b>            | <b>3.14</b>        | <b>(12.58)</b>     |
| <b>XI</b>   | <b>Total Comprehensive Income for the period (IX+X)(Comprising Profit (Loss) and Other Comprehensive Income for the period)</b> | <b>20.72</b>           | <b>(25.59)</b> | <b>140.76</b>          | <b>(310.45)</b>    | <b>14.68</b>       |
| <b>XII</b>  | <b>Earning per Equity share (Face Value of Rs.5/- each) (not annualised except for yearly EPS)</b>                              |                        |                |                        |                    |                    |
|             | (a) Basic   | 1.15                   | (1.64)         | 8.06                   | (17.96)            | 1.61               |
|             | (b) Diluted   | 1.15                   | (1.64)         | 8.06                   | (17.96)            | 1.61               |

\* Pursuant to order of Regional Director, Mumbai dated 19th June, 2019, the Company had changed its financial year to calendar year. Therefore, the previous Financial year of the company ended on 31st December, 2019 covered a period of only nine months from 1st April, 2019 to 31st December, 2019.



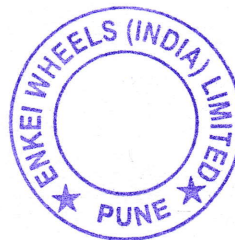
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**NOTES:**

1. The above results have been reviewed by Audit Committee and subsequently approved by the Board of Directors in their respective meetings held on February 18, 2021.
2. The figures for the quarter ended December 31, 2020 are the derived figures between the audited figures in respect of the period from January 1, 2020 and December 31, 2020 and the published year-to-date figures up to September 30, 2020, being the end of the previous quarter of the current financial year, which were subject to limited review. Similarly, the figures for the quarter ended December 31, 2019 are the derived figures between the audited figures in respect of the period from April 1, 2019 and December 31, 2019 and the published year-to-date figures up to September 30, 2019, being the end of the previous quarter of the comparative financial year, which were subject to limited review.
3. The statement has been prepared in accordance with Companies (Indian Accounting Standards) Rules 2015 (Ind-AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
4. The Company has single operating segment, that of automotive wheels. Accordingly, disclosure requirements as per Indian Accounting Standard (Ind AS) 108 'Operating Segment' are not applicable to the Company.
5. The spread of COVID-19 had severely impacted business in many countries, including India and there had been severe disruption to regular business operations due to various restrictions. The Company resumed its operations in a phased manner as the Government of India progressively relaxed the lockdown. With the ease in restrictions, the Company has seen a continued upside in the demand and consequent revenues in the current quarter as well, though yearly volumes have been impacted. The Management has evaluated its liquidity position and recoverability and carrying values of its financial and non-financial assets and has concluded that there are no material adjustments required in the financial results at this stage. However, the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The Management will continue to closely monitor any material changes to future economic conditions.
6. The company is not identified a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.
7. The figures of the previous period have been reclassified/regrouped, wherever found necessary.

**For and on behalf of the Board of Enkei Wheels  
(India) Limited**



**Place-Shikrapur, Pune  
Date- February 18, 2021**

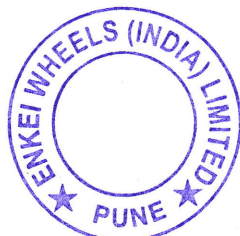
  
**KAZUO SUZUKI  
Managing Director  
DIN : 08350372**

**Audited statement of Assets and Liabilities as at 31st December 2020**

(All amounts in million rupees, unless otherwise stated)

| Particulars |  | As at 31-12-2020<br>(Audited) | As at 31-12-2019<br>(Audited) |
|-------------|--|-------------------------------|-------------------------------|
| <b>A</b>    | <b>ASSETS</b>  |                               |                               |
| <b>1</b>    | <b>Non-current assets</b>  |                               |                               |
|             | (a) Property, Plant and Equipment                                    | 1,172.21                      | 1,315.53                      |
|             | (b) Capital work-in-progress   | 1,886.09                      | 1,014.01                      |
|             | (c) Right-of-use assets  | 45.08                         | 82.00                         |
|             | (d) Financial Assets   |                               |                               |
|             | (i) Other Financial Assets   | 21.04                         | 21.14                         |
|             | (e) Deferred tax assets (net)  | 18.55                         | 24.07                         |
|             | (f) Income Tax Assets (Net)  | 59.26                         | 48.27                         |
|             | (g) Other non-current assets   | 87.99                         | 328.39                        |
|             | <b>Sub Total - Non-Current Assets</b>                                | <b>3,290.22</b>               | <b>2,833.42</b>               |
| <b>2</b>    | <b>Current assets</b>  |                               |                               |
|             | (a) Inventories  | 578.48                        | 705.53                        |
|             | (b) Financial Assets   |                               |                               |
|             | (i) Trade receivables  | 285.96                        | 211.83                        |
|             | (ii) Cash and cash equivalents                                       | 298.14                        | 412.34                        |
|             | (iii) Other Financial Assets   | 2.61                          | 0.42                          |
|             | (c) Current Tax Assets (net)   | -                             | -                             |
|             | (d) Other current assets   | 67.85                         | 63.26                         |
|             | <b>Sub Total - Current Assets</b>                                    | <b>1,233.03</b>               | <b>1,393.37</b>               |
|             | <b>Total Assets</b>  | <b>4,523.25</b>               | <b>4,226.79</b>               |
| <b>B</b>    | <b>EQUITY AND LIABILITIES</b>  |                               |                               |
| <b>1</b>    | <b>Equity</b>  |                               |                               |
|             | (a) Equity share capital   | 89.87                         | 85.38                         |
|             | (b) Other Equity   | 1,817.06                      | 1,746.67                      |
|             | <b>Sub Total - Equity</b>  | <b>1,906.93</b>               | <b>1,832.05</b>               |
| <b>2</b>    | <b>Liabilities</b>   |                               |                               |
| <b>1</b>    | <b>Non-current liabilities</b>                                       |                               |                               |
|             | (a) Financial Liabilities  |                               |                               |
|             | (i) Borrowings   | 1,291.65                      | 1,003.53                      |
|             | (ii) Trade payables  | 239.10                        | 232.04                        |
|             | (iii) Lease Liabilities  | 29.58                         | 52.60                         |
|             | (b) Provisions   | 3.17                          | 2.41                          |
| <b>2</b>    | <b>Current Liabilities</b>   |                               |                               |
|             | (a) Financial Liabilities  |                               |                               |
|             | (i) Borrowings   | 230.00                        | 380.00                        |
|             | (ii) Lease Liabilities   | 21.36                         | 27.84                         |
|             | (iii) Trade payables   |                               |                               |
|             | a. Total outstanding dues of micro enterprises and small enterprises | 3.52                          | 0.25                          |
|             | b. Total outstanding dues of creditors other than small enterprises  | 339.63                        | 333.80                        |
|             | (iv) Other financial liabilities                                     | 428.61                        | 333.29                        |
|             | (b) Other current liabilities  | 18.01                         | 16.22                         |
|             | (c) Provisions   | 11.70                         | 5.81                          |
|             | (d) Current Tax Liabilities (net)                                    | -                             | 6.96                          |
|             | <b>Sub Total - Liabilities</b>                                       | <b>2,616.32</b>               | <b>2,394.74</b>               |
|             | <b>Total Equity and Liabilities</b>                                  | <b>4,523.25</b>               | <b>4,226.79</b>               |

For and on behalf of the Board of Enkei Wheels (India) Limited



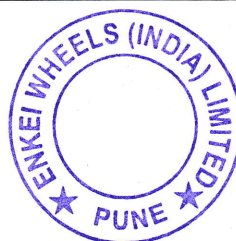
**Kazuo Suzuki**  
Managing Director  
DIN: 08350372



**Cash Flow Statement for the period ended December 31, 2020**

(All amounts in million rupees, unless otherwise stated)

|          | Particulars  | For the year ended<br>December 31, 2020 | For the year ended<br>December 31, 2019 |
|----------|--|---|---|
| <b>A</b> | <b>Cash Flow from operating activities</b>   |   |   |
|          | Profit or (Loss) before tax for the year   | (326.30)                                | 51.42                                   |
|          | Adjusted for :   |   |   |
|          | Fair valuation of long-term liabilities - realised   | 16.86                                   | 26.29                                   |
|          | Interest cost - Fair valuation of long-term liabilities                                    | 16.10                                   | 11.92                                   |
|          | Loss /(profit) on derivative transactions (net)  | 4.67                                    | 15.77                                   |
|          | Fair valuation of defined benefit obligations  | 0.53                                    | 3.11                                    |
|          | Depreciation and amortisation  | 217.66                                  | 177.60                                  |
|          | Loss/(Profit) on sale of property, plant & equipment (net)                                 | 1.19                                    | 4.57                                    |
|          | Finance cost (including towards lease liabilities)   | 121.09                                  | 44.79                                   |
|          | Interest Income  | (11.45)                                 | (3.04)                                  |
|          | Unrealised Foreign Exchange Loss (net)   | 0.00                                    | 97.03                                   |
|          | Unclaimed Balances written off/(back)  | 0.00                                    | (289.71)                                |
|          | Operating profit / (loss) before working capital changes                                   | <b>40.38</b>                            | <b>139.76</b>                           |
|          | Adjusted for :   |   |   |
|          | (Increase)/decrease in inventories   | 127.05                                  | (188.23)                                |
|          | (Increase)/decrease in trade receivables   | (74.13)                                 | 224.53                                  |
|          | (Increase)/decrease in other financial assets (current)                                    | (2.19)                                  | (0.10)                                  |
|          | (Increase)/decrease in other financial assets (non-current)                                | 0.10                                    | 0.71                                    |
|          | (Increase)/decrease in other non current assets  | (3.43)                                  | 0.15                                    |
|          | (Increase)/decrease in other current assets  | (4.59)                                  | (29.24)                                 |
|          | Increase/(decrease) in trade payables (current)  | 9.09                                    | (7.55)                                  |
|          | Increase/(decrease) in trade payables (non-current)  | (9.05)                                  | (26.29)                                 |
|          | Increase/(decrease) in other financial liabilities   | 8.51                                    | 7.05                                    |
|          | Increase/(decrease) in provisions (current)  | 5.89                                    | (3.01)                                  |
|          | Increase/(decrease) in provisions (non-current)  | 0.76                                    | (1.15)                                  |
|          | Increase/(decrease) in other current liabilities   | 1.79                                    | (42.01)                                 |
|          | Cash generated from operations   | <b>100.20</b>                           | <b>74.61</b>                            |
|          | Income tax (paid) / refund   | (1.78)                                  | (12.01)                                 |
|          | <b>Net cash flow from / (used in) operating activities (A)</b>                             | <b>98.42</b>                            | <b>62.60</b>                            |
| <b>B</b> | <b>Cash flow from investing activities</b>   |   |   |
|          | Purchase of Fixed Assets and Capital Expenditure   | (954.75)                                | (761.59)                                |
|          | Capital Advances   | 243.83                                  | (128.39)                                |
|          | Sale of Fixed Assets   | 0.05                                    | 0.57                                    |
|          | Interest Income  | 11.45                                   | 0.16                                    |
|          | <b>Net cash flow from / (used in) investing activities (B)</b>                             | <b>(699.42)</b>                         | <b>(889.25)</b>                         |
| <b>C</b> | <b>Cash flow from financing activities</b>   |   |   |
|          | Proceeds from issue of share capital   | 368.47                                  | 435.29                                  |
|          | Proceeds from short term borrowings (net)  | (150.00)                                | 180.00                                  |
|          | Proceeds from long term borrowings   | 564.65                                  | 557.13                                  |
|          | Repayment of Long term borrowings  | (147.33)                                | (69.76)                                 |
|          | Payment of Lease Liabilities   | (27.89)                                 | (26.62)                                 |
|          | Finance cost   | (121.09)                                | (38.71)                                 |
|          | <b>Net cash flow from / (used in) financing activities (C)</b>                             | <b>486.80</b>                           | <b>1,037.32</b>                         |
|          | Net increase / (decrease) in cash and cash equivalents (A+B+C)                             | (114.20)                                | 210.67                                  |
|          | Cash and cash equivalents at the beginning of the year                                     | 412.34                                  | 201.67                                  |
|          | Effect of exchange difference on restatement of foreign currency cash and cash equivalents | 0.00                                    | 0.00                                    |
|          | Cash and cash equivalents at the end of the year   | <b>298.14</b>                           | <b>412.34</b>                           |
|          | Reconciliation of cash and cash equivalents with the balance sheet :                       |   |   |
|          | Cash and cash equivalents as per Balance Sheet   | 298.14                                  | 412.34                                  |
|          | * Comprises  |   |   |
|          | Cash on Hand   | 0.11                                    | 0.13                                    |
|          | Balances with banks  |   |   |
|          | In current accounts - Rupee accounts   | 23.62                                   | 59.21                                   |
|          | In deposit account   | 274.41                                  | 353.00                                  |

Place-Shikrapur, Pune  
Date- February 18, 2021

For and on behalf of the Board of  
Enkei Wheels (India) Limited

  
**KAZUO SUZUKI**  
Managing Director  
DIN : 08350372

**ENKEI WHEELS (INDIA) LIMITED**

(CIN - L34300PN2009PLC133702)

**Factory & Registered Office:** Gat No. 1425 Village Shikrapur, Tal. Shirur, Pune  
Maharashtra, India 412 208. Tel. : +91-2137-618700, Fax : +91-2137-618720  
E-Mail : info@enkei.in, Website : www.enkei.in



ISO/TS  
16949:2009  
ISO 14001:2004  
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ID 9105060168

**Date:** 18<sup>th</sup> February 2021

To,

The Corporate Relation Department,  
BSE Limited, Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001.

**Subject: Declaration for Audit Reports with Unmodified opinion(s)**

**Ref:** Scrip Code 533477

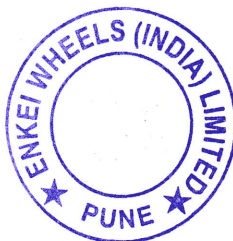
Dear Sir,

In terms of Second provision to Regulation 33 (3) (d) of SEBI (Listing Obligation & Disclosure Requirements), 2015, it is declared that, M/s. Kirtane & Pandit LLP, Chartered Accountants, Pune, Statutory Auditors has expressed an unmodified opinion(s) on the Audited Financial Results of the Company for quarter & year ended as on 31<sup>st</sup> December, 2020.

Thanking You,

**FOR ENKEI WHEELS (INDIA) LIMITED**

**KAZUO SUZUKI**  
**MANAGING DIRECTOR**  
**DIN: 08350372**





# KIRTANE & PANDIT LLP

## Independent Auditor's Report on the audit of Annual Financial Results for the year ended December 31, 2020

To the Board of Directors of  
Enkei Wheels (India) Limited

### Opinion

We have audited the annual financial results for the year ended December 31, 2020 included in the accompanying "Statement of Audited Financial Results for the quarter and year ended 31<sup>st</sup> December 2020" ("the Statement") of **Enkei Wheels (India) Limited** ("the Company"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit/ loss and other comprehensive income and other financial information of the Company for the quarter ended December 31, 2020 as well as the year ended December 31, 2020.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further



Kirtane & Pandit LLP - Chartered Accountants  
Pune | Mumbai | Nashik | Bengaluru | Hyderabad

Regd. Office : 5th Floor, Wing A, Gopal House, S.No. 127/1B/1, Plot A1, Opp. Harshal Hall, Kothrud, Pune - 411 038, India | Tel : +91 20-67295100 / 25433104  
www.kirtanepandit.com | Email : kpca@kirtanepandit.com

described in the Auditor's Responsibilities for the Audit of the Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Management's Responsibilities for the Statement**

This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended December 31, 2020 have been compiled from the related Audited Financial Statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended December 31, 2020 that give a true and fair view of the net profit / loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.





In preparing the financial results, the Board of Directors are 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 the Board of Directors 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 Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the financial results 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 results.

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 results, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 results, including the disclosures, and whether the financial results 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.

#### **Other Matter**

- a) The figures for the corresponding quarter ended December 31, 2019 are the balancing figures between the audited figures in respect of the period from April 1, 2019 and December 31, 2019 and the published year-to-date figures up to September 30, 2019, being the end of the previous quarter of the corresponding financial year, which were subject to limited review. We have not





**Enkei Wheels (India) Limited - Independent Auditor's Report on the audit of Annual Financial Results for the year ended December 31, 2020**

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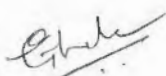
issued a separate limited review report on the results and figures for the quarter ended December 31, 2019. Our report on the Statement is not modified in respect of this matter.

- b) The figures for the quarter ended December 31, 2020 are the balancing figures between the audited figures in respect of the period from January 1, 2020 and December 31, 2020 and the published year-to-date figures up to September 30, 2020, being the end of the previous quarter of the current financial year, which were subject to limited review. Our report on the Statement is not modified in respect of this matter.

**For Kirtane & Pandit LLP**

Chartered Accountants

Firm Registration No. 105215W/W100057



**Suhrud Lele**

Partner

Membership No.: 121162



UDIN: 21121162AAAABJ2203

Pune, February 18, 2021