

<b>BSE Limited</b> Listing & Compliance Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	<b>The National Stock Exchange of India Limited</b> Listing & Compliance Department Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051
<b>Security Code: 532796</b>	<b>Symbol: LUMAXTECH</b>

**Subject: Corrigendum to the 40<sup>th</sup> Annual Report for the Financial Year 2020-2021.**

Dear Sir/Ma'am,

With reference to the captioned subject, you are requested to kindly note that there are following inadvertent and typographical error in the Annual Report for the Financial Year 2020-2021 sent to shareholders of the Company. The information as aforesaid i.e. printed vis a vis corrected figures are reproduced as below:

Sr. No.	Page No.	Particulars/Key Management Personnel and Relatives of Key Management Personnel (Managerial Remuneration)	Amount (in Lakhs)	
			March 31, 2021	
			Printed	Corrected
1	168	Mr. Anmol Jain	257.03	79.93
2	168	Mr. D.K. Jain	276.12	99.09
3	169	Total	913.72	559.59
4	255	Mr. Anmol Jain	257.03	79.93
5	255	Mr. D.K. Jain	283.86	106.83
6	255	Total	1,191.50	837.37

Accordingly, you are requested to read the corrected figures as mentioned above. Except the corrections mentioned above, there is no change in the Annual Report for the Financial Year 2020-21.

In this regard, we enclose a copy of the Corrigendum proposed to be published in the newspapers i.e. Financial Express (English-All Editions) and Jansatta (Hindi-Delhi Edition) along with the revised version of the said Annual Report for your kind information and records.

We sincerely regret the inconvenience caused in this regard.

Thanking you,

Yours faithfully,  
For Lumax Auto Technologies Limited

  
**Anil Tyagi**  
Company Secretary & Compliance Officer  
M.No. A16825



Encl: as above

**Lumax Auto Technologies Limited**  
Plot No. -878, Udyog Vihar  
Phase-V, Gurugram - 122016  
Haryana, India

T +91 124 4760000  
E shares@lumaxmail.com

www.lumaxworld.in

Lumax Auto Technologies Limited - REGD. OFFICE : 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi - 110046, T - +91 11 4985 7832, E - cao@lumaxmail.com



**LUMAX AUTO TECHNOLOGIES LIMITED**

**CIN NO: L31909DL1981PLC349793**

**Registered Office.:** 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya,  
New Delhi – 110046 **Tel No.:** 011-49857832

**E-Mail:** [shares@lumaxmail.com](mailto:shares@lumaxmail.com) **Website:** [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech)

**CORRIGENDUM TO THE ANNUAL REPORT FOR THE FINANCIAL YEAR 2020-21  
[FOR KIND ATTENTION OF SHAREHOLDERS]**

In furtherance to our Notice of 40<sup>th</sup> Annual General Meeting published in Financial Express (English-All Edition) and Jansatta (Hindi-Delhi Edition) on 08<sup>th</sup> August, 2021 with respect to completion of Dispatch of Notice of 40<sup>th</sup> AGM and Annual Report for the Financial Year 2020-21 to the Shareholders of the Company, kindly note the corrections as appearing hereunder with respect to and in connection with the said Annual Report.

The information as aforesaid i.e. printed vis a vis corrected figures are reproduced as below:

Sr. No.	Page No.	Particulars/Key Management Personnel and Relatives of Key Management Personnel (Managerial Remuneration)	Amount (in Lakhs)	
			Printed	Corrected
1	168	Mr. Anmol Jain	257.03	79.93
2	168	Mr. D.K. Jain	276.12	99.09
3	169	Total	913.72	559.59
4	255	Mr. Anmol Jain	257.03	79.93
5	255	Mr. D.K. Jain	283.86	106.83
6	255	Total	1,191.50	837.37

This Corrigendum should be read in conjunction with the said Annual Report.

This Corrigendum along with revised version of the said Annual Report is available on the Company's website at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech).

We sincerely regret the inconvenience caused in this regard.



**For Lumax Auto Technologies Limited**

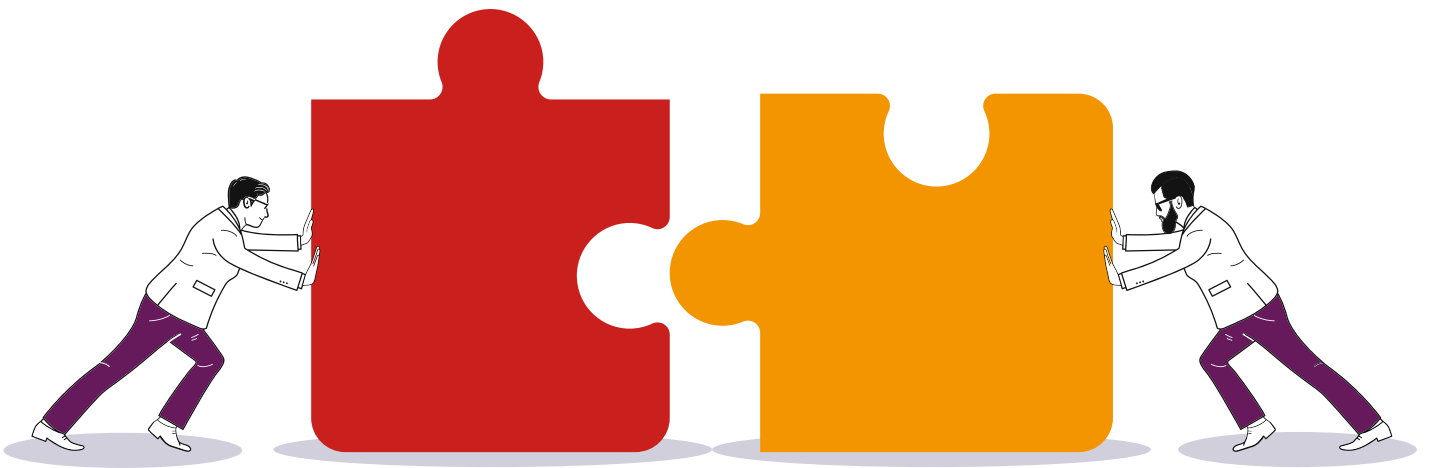
Anil Tyagi

**Company Secretary & Compliance Officer**

**M. No. A16825**

**Place:** Gurugram

**Date:** 13<sup>th</sup> August, 2021



**ENGAGE. EVOLVE. EXCEL.**



# WHAT'S INSIDE

01-30

## CORPORATE OVERVIEW

Strength of a Diamond	02
Lumax-DK Jain Group	04
TPM Milestones over the years	06
Engage. Evolve. Excel	08
Excelling Innovation. Evolving Portfolio.	10
The Lumax Evolution Story	12
Management's Message	14
Environmental Social Governance	16
Engaging Resources Evolving Responsibly	18
Evolving with our People	20
Excelling Customer Experiences	22
Evolving with Our Partners	24
Excelling Stewardship	26
Evolving with Transparency	28
Corporate Information	30

31-102

## STATUTORY REPORTS

31	Board's Report
43	Management Discussion and Analysis
49	Corporate Governance Report
79	Other Annexures to Board Report

104-271

## FINANCIAL STATEMENTS

Standalone	104
Consolidated	181
Notice	272

## INVESTOR INFORMATION

**₹ 1,100 CRORE**  
MARKET CAPITALIZATION  
AS ON MARCH 31, 2021

**532796**  
BSE CODE

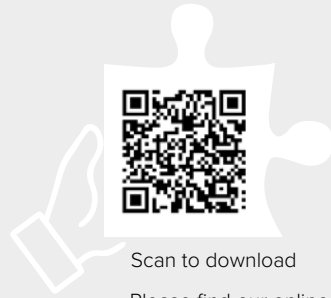
**₹ 3**  
DIVIDEND  
DECLARED

**L31909DL1981PLC349793**  
CIN

**LUMAXTECH**  
NSE CODE

**AUGUST 31, 2021**  
AGM DATE

**VIDEO CONFERENCING /  
OTHER AUDIO VISUAL MEANS**  
AGM MODE



Scan to download

Please find our online version at:

<https://www.lumaxworld.in/lumaxautotech/annual-report.html>

## ABOUT THIS REPORT

This Report is aligned with the International Integrated Reporting Council's (IIRC) globally accepted framework. Lumax Auto Technologies Limited ('Lumax Auto Technologies' or 'the Company' or 'Lumax' or 'LATL') aims to strengthen its communication with its stakeholders with respect to material activities, value creation process, business highlights, and future prospects. The report also follows and adopts guidelines laid out by SEBI with respect to Annual Report making.

## SCOPE AND BOUNDARY

This Annual Report comprises all the relevant aspects of operations at Lumax Auto Technologies. It also consists of the desired statutory disclosures and audited annual financial statements for the year ended March 31, 2021. All the subsidiaries and joint ventures are included in the consolidated financial information.

## FRAMEWORKS

The content and structure of this Annual Report are guided by the framework endorsed by the Integrated Reporting Council. Besides, the Company fully complies with the NSE and BSE listings as well SEBI Compliances. It is committed to embrace the best practices in reporting to ensure transparency and better stakeholder engagement.

## ASSURANCE

Lumax Auto Technologies Board of Directors and its sub-committees have reviewed the Report and have satisfied themselves of the materiality, accuracy, and balance of disclosures in this Report. The Board has not sought independent assurance of the Report, other than for the annual financial statements.

**Disclaimer:** This document contains statements about expected future events and financials of Lumax Auto Technologies Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

# STRENGTH OF A DIAMOND

**It all started with an individual's entrepreneurial dream and attempt in 1945, which was then carefully shaped with grit, determination and sustained effort.**

Today, that same dream has risen to stand tall amongst the business leaders of the Indian Auto Component Industry. With more than 9,000 employees across 33 different plant locations in India, Lumax-DK Jain group has achieved countless accomplishments and crossed numerous milestones across vehicular segments – a testimony of our capability as an organisation.

The Lumax-DK Jain Group and its values resonate with our founder's firm belief that humility, hard work and a long term association with the partners are vital for a successful run.

During the last 75 years, our Group has withstood many waves and winds. But we believe flexibility, resilience, and agility are crucial for any company to overcome difficulties and bounce back. The ongoing pandemic has indeed posed temporary challenges on our road ahead. But, like every other time, we are confident of tiding over this tough phase backed by our strong will and the undeterred support of all our partners – our team, stakeholders, communities we work with and our management.

Today, as we look back on the journey traversed so far, we are reliving our glorious past. We are sure none of this would have been possible alone. As we celebrate yet another milestone of our Group, we want to thank each of you for just being there. We take this opportunity to commit ourselves and take our organisation to even greater heights with your trust and support.

**It's time to take giant strides in our journey from Good to Great.**



# A 75-YEAR-OLD LEGACY FORGED BY VALUES AND TRADITION



**A LEGACY OF  
ENDURING  
RELATIONSHIPS**

**A LEGACY OF  
SPECTACULAR  
ACHIEVEMENTS**

# LUMAX-DK JAIN GROUP

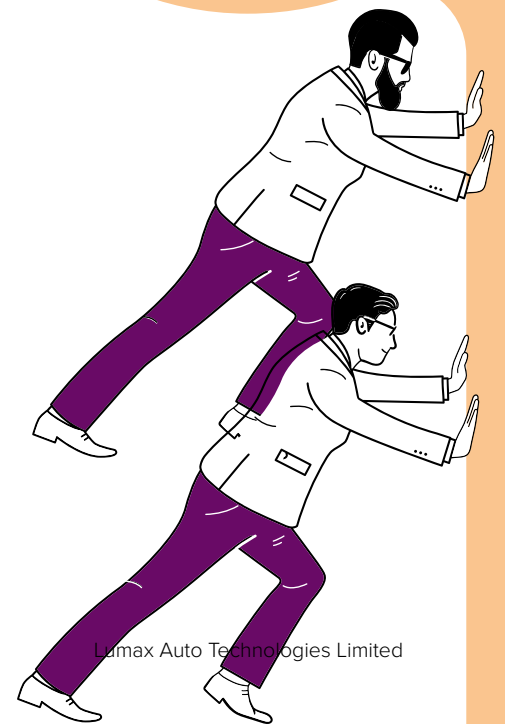
**Incorporated in the year 1945, the Group is one of the leading manufacturers and suppliers of the Automotive Lighting and Gear Shifters in India.**

Over the years, the Group has grown and made a remarkable brand value globally. Today, Lumax-DK Jain Group enjoys a remarkable 75-year-old glorious legacy forged by values and tradition, enduring relationships and great achievements. The Group has continuously used the power of innovation and technology while developing well-sustained operational units to achieve market leadership.

Today, Lumax is a global player in the automotive component space in India, comprising two listed entities Lumax Industries Limited (LIL) and Lumax Auto Technologies (LATL).

Being the leading business house of the Automotive Industry in India, it also enjoys over 3 decades of well-established relations with Stanley Electric Co. Limited. It also successfully signed up Joint Ventures with other globally renowned Companies from Germany, Israel, Italy, Japan, Korea, and Spain.

The Group is committed to ensuring long term growth and sustainability for all its stakeholders. In this journey, Lumax aims to deliver value with trust through its 'Customer First' approach.





## **TOGETHER WE ARE...**

**Seven-Decades Strong**

**And a Leader in Automotive  
Lighting and Gear Shifters**

## **TOGETHER WE ARE...**

**a Strong Family of 9000 Members**

## **TOGETHER WE ARE...**

**Present across 33 Manufacturing Facilities**

**4 R&D Centres (India)  
1 Design Centre (Taiwan)**

## **TOGETHER WE'VE EXPANDED TO...**

**15 Entities**

**8 States across India**

# TPM MILESTONES OVER THE YEARS

LATL Pantnagar

JIPM TPM Excellence Award  
Category - A - 2012  
(Received in 2013)



LATL Pantnagar

JIPM Award for Excellence in  
Consistent TPM Commitment - 2015  
(Received in 2016)



LIL Pantnagar

JIPM TPM Excellence Award  
Category - A - 2013  
(Received in 2014)



LATL Chakan

JIPM TPM Excellence Award  
Category - B - 2016  
(Received in 2017)

**LIL Bawal**

JIPM TPM Excellence Award  
Category - A - 2017  
(Received in 2018)



**LIL Bengaluru**

JIPM TPM Excellence Award  
Category - A - 2018  
(Received in 2019)



**LIL Dharuhera**

JIPM TPM Excellence Award  
Category - A - 2019  
(Received in 2020)



**LIL Pantnagar**

JIPM Award for Excellence in  
Consistent TPM Commitment - 2018  
(Received in 2019)



**LATL Bengaluru**

JIPM TPM Excellence Award  
Category - A - 2019  
(Received in 2020)

# ENGAGE. EVOLVE. EXCEL

WE BELIEVE IN ENGAGING AND COLLABORATING WITH OUR LEADERS ACROSS STAKEHOLDER GROUPS TO FACILITATE CHANGE NECESSARY TO THRIVE IN TODAY'S COMPLEX AND DYNAMIC BUSINESS ENVIRONMENT. IN THE PAST, WE HAVE LEARNT THAT OUR RELATIONS WITH OUR PEOPLE, COMMUNITY, AND OTHER STAKEHOLDER GROUPS HAVE HELPED US EVOLVE AND STAY AHEAD OF THE CHANGING CURVE. STANDING AT A POINT OF INFLECTION, WE ARE OPTIMISTIC ABOUT STRONG MOMENTUM, WHICH WE STRATEGISE TO GAIN THROUGH OUR CONSISTENT EFFORTS AND ENDEAVOURS. AND, IN THIS, WE WILL, AS A TEAM ENGAGE, EVOLVE AND EXCEL IN EVERYTHING WE DO.

## ABOUT LUMAX AUTO TECHNOLOGIES

**Established in the year 1981, Lumax Auto Technologies was incorporated as a private limited company. With an experience of four decades, Lumax is a market leader in the manufacturing and supply of Automotive Components.**

We are among the few integrated players in India, with the right mix of R&D capabilities, product portfolio and manufacturing prowess. To serve our customers, we have consciously invested in multiple products and services by joining hands with the leading global auto component manufacturers. This has helped us build a robust product portfolio while also enhancing and providing access to world-class technology.

We manufacture a wide range of products which include Integrated Plastic Modules, 2-wheeler Chassis & Swing Arm, 3-wheeler Trailing Arm, 2/3 - wheeler lighting, Gear Shifter and Shift Towers, Emission Systems and Seat Frames, among others.



### CORE PURPOSE

We deliver pride and progress with positivity.



### VISION

Building an admired high-performance global organization in whom all stakeholders have absolute trust.



### VALUES

# RIPE

Respect | Integrity | Passion | Excellence

## 6+

PARTNERSHIPS

## 17

MANUFACTURING PLANTS

## 10,000+

RETAIL TOUCHPOINTS

## 4,000+

HUMAN CAPITAL

## 30+

YEARS OF AFTERMARKET EXPERIENCE

# EXCELLING INNOVATION. EVOLVING PORTFOLIO.

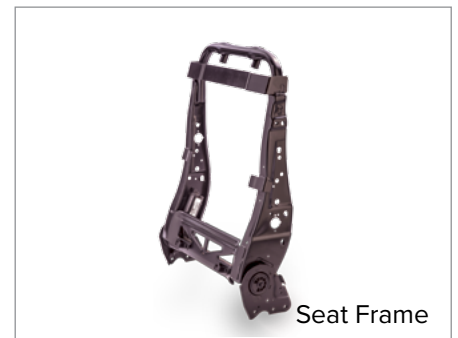
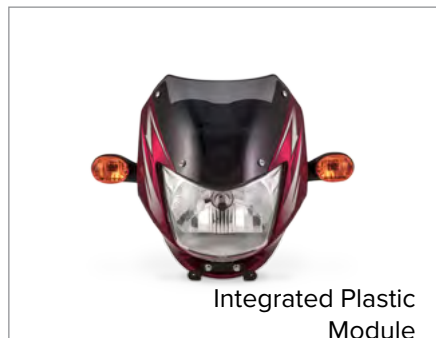
**Our core strength at LATL is product diversification backed by strong R&D, a customer centric approach, state-of-the-art technology and developing pioneering solutions for the existing as well as future trends.**

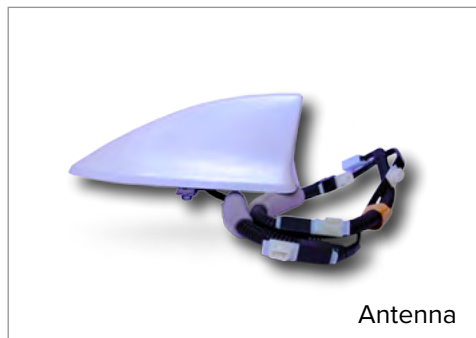
Innovation and R&D play an essential role in creating new opportunities for us. It is the engine of change, which forms the base of new and futuristic products. R&D and innovation leadership are the key factor for growing and diversifying into the future. At Lumax Auto Technologies, we collaborate with customers to meet their constantly-evolving demands and develop futuristic products today.

Our engineers work incessantly from 2 R&D centres to develop high-quality and cost-effective automotive components. Their basic intent is to satisfactorily merge the existing and emerging needs of our valued customers and keep Lumax at par with industry developments.

## OUR ROBUST PRODUCT MIX

- Integrated Plastic Modules
- 2-Wheeler Chassis & Swing Arm
- 2-Wheeler Lighting
- 3-Wheeler Lighting & Trailing Arm
- Gear Shifters And Transmission Products
- Emission Systems
- Seat Frames
- Oxygen sensors
- Telematics Products And Services
- Antenna
- After-market Division

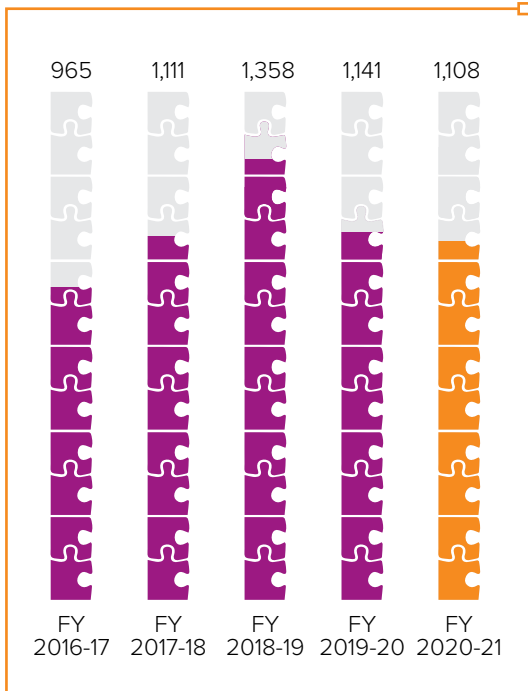




# THE LUMAX EVOLUTION STORY

A peek into our performance over the past 5 years

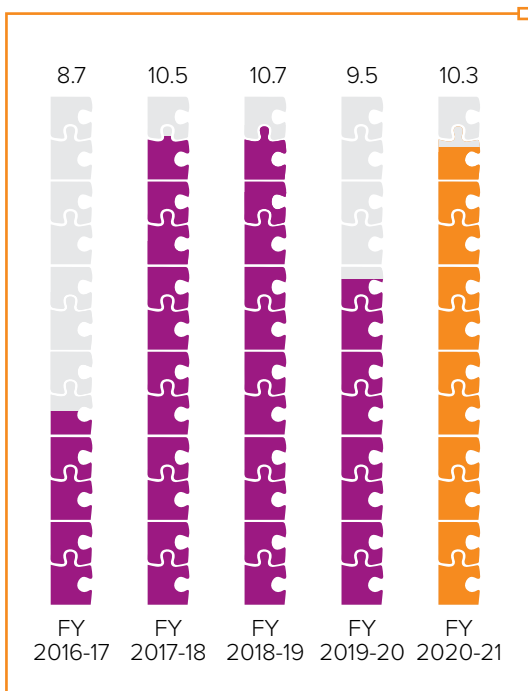
REVENUE FROM OPERATIONS ₹ in Crore



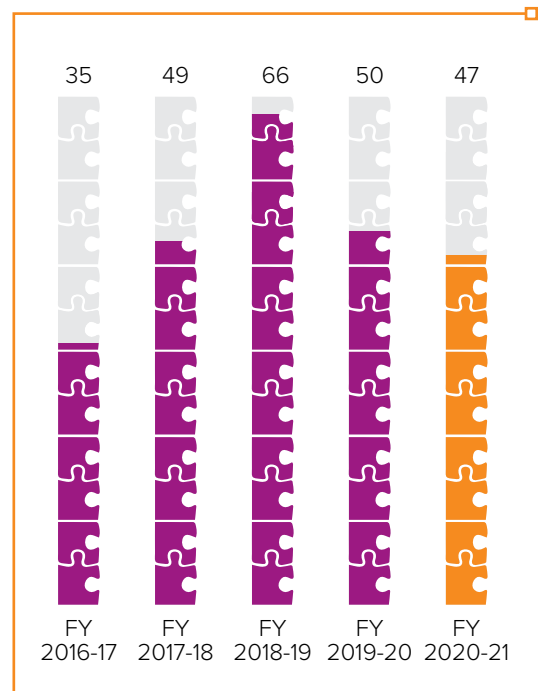
EBITDA ₹ in Crore



EBIDTA MARGINS %



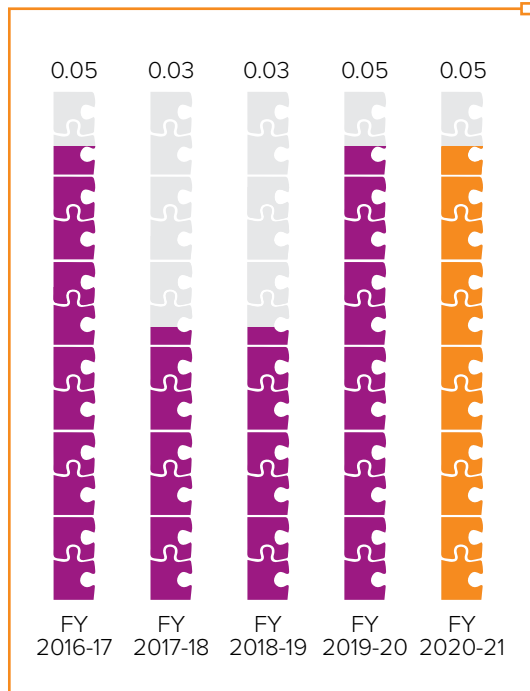
PAT ₹ in Crore



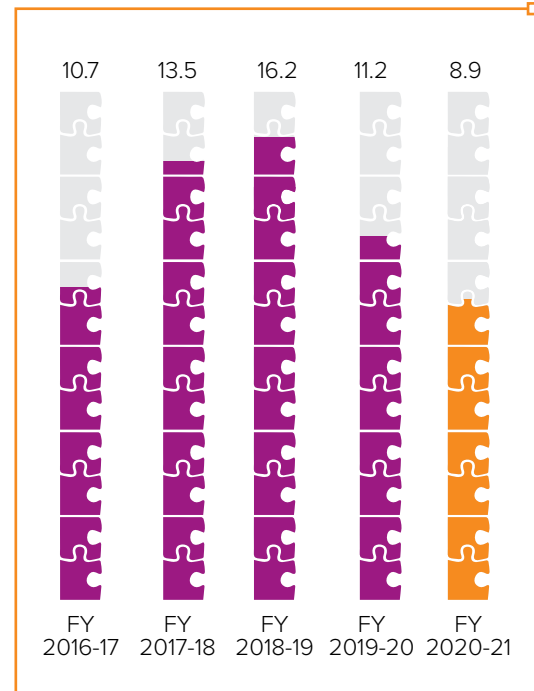


\*EBITDA-Earnings Before Interest, Tax, Depreciation & Amortization  
\*PAT-Profit After Tax  
\*ROE-Return on Equity  
\*EPS-Earnings Per Share  
\*CAPEX-Capital Expenditure

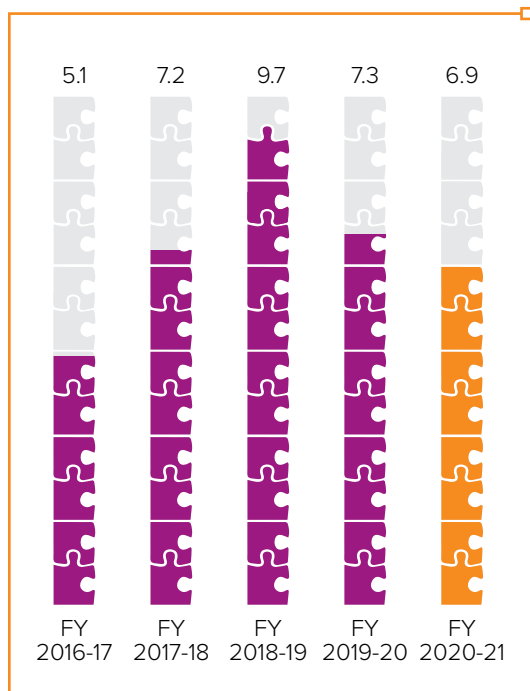
**DEBT EQUITY RATIO**



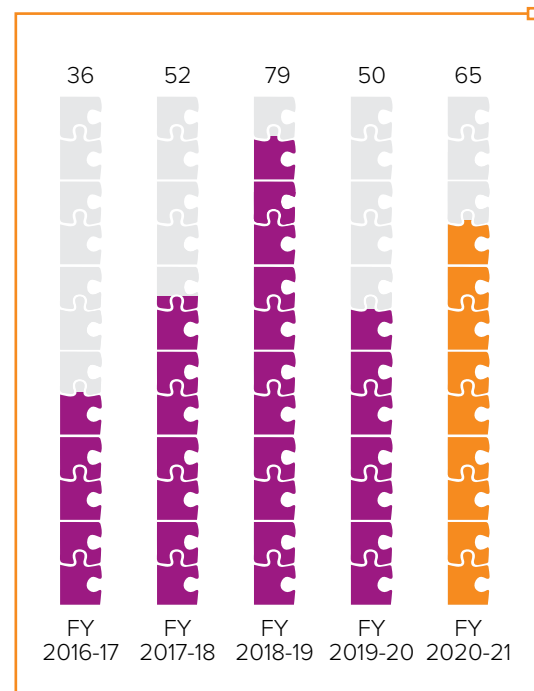
**ROE**



**EPS**



**CAPEX**





## MANAGEMENT'S MESSAGE

### Dear Shareholders,

The year 2020 was like no other. On one hand, almost all markets and national economies felt the fury of the unpredictable Covid-19 pandemic, and the international Automotive Industry, including our Company, was no exception. On the other hand, we, at Lumax Auto Technologies, surpassed ourselves in many respects as a consequence of this unprecedented crisis. We demonstrated operational strength and great resilience in this situation, and evolved as an organization that braves its challenges with confidence.

At this difficult moment, our thoughts and prayers extend to all those who have been impacted by this pandemic.

I sincerely wish a full recovery to those and hope that the world will return to normal as quickly as possible. Furthermore, I would like to express my deepest gratitude to the medical professionals and other frontliners, who continue working towards a stronger nation.

**DESPITE THE HEADWINDS OF THE PANDEMIC AND OVERALL DECLINE IN TOTAL PRODUCTION OF VEHICLES BY 14% IN FY 2020-21, LUMAX AUTO TECHNOLOGIES SHOWED AN EXCELLENT TRAJECTORY OF EVOLUTION WITH OUR DIVERSIFIED PRODUCT PORTFOLIO, CUSTOMER MIX AND COST MANAGEMENT DRIVE.**

### A YEAR OF VOLATILITY

Throughout the history of the world, there have been defining moments that changed the world seemingly overnight, in the industrial, geopolitical, and socio-economic landscape. In FY 2020-21, we were in the middle of one such important event that reshaped the legacy we would leave behind for our future generations. As the year bought an unprecedented time for the global economy, the Indian economy too slumped by 7.3%. However, with the gradual unlocking and the Government's relief stimulus, the economy turned positive. In the last two quarters of the financial year, the Indian economy posted a growth of 0.3% and 1.6%, respectively.

### INDUSTRIAL LANDSCAPE

FY 2020-21 was one of the toughest years for the Automobile Industry. The lockdown caused a cascading effect on the revenue and supply chain processes. Production of automobile Industry witnessed a decline of 14% in FY 2020-21. While the first half of the year was severely impacted, the second half witnessed a revival in sales owing to the regained consumer confidence and pent-up demand. This was further supported by the festive season in the latter quarters as well as rural business. Further to support the industry and to make India an export hub, the Government announced the PLI scheme, the long-awaited scrappage policy, and green taxes.

## FINANCIAL PERFORMANCE

This year, our results reflect the impact of lockdown and limited operational hours. After posting almost negligible revenue for the first quarter of the year, we made a strong comeback in the consequent quarters.

On a consolidated basis, the Company reported a 3% downfall in revenue from ₹ 1,141 Crore in FY 2019-20 to ₹ 1,108 Crore in this financial year. However, a positive development has been the growth in EBITDA at ₹ 114 Crore, 5% up from the last financial year. On the margin front, we have been able to achieve double digit EBITDA margins at 10.3%, up by 80 BPS from the last financial year. Profit after tax and minority interest was ₹ 47 Crore as against ₹ 50 Crore in FY 2019-20. The capex during FY 2020-21 was ₹ 65 Crore mainly on account of start of production in our subsidiary company Lumax FAE Technologies Pvt Limited and start of manufacturing of Urea Tank in another subsidiary Company Lumax Cornaglia Auto Technologies Pvt Limited.

## OPERATIONAL HIGHLIGHTS

Our strong and robust business model not only survived in these difficult market conditions but also excelled and pushed higher growth than observed among our contemporaries.

Our relentless focus on R&D and manufacturing only the highest quality products has positioned us as a leader in gear shifters. This year, we also increased our presence in the domestic market and enhanced customer outreach for Emission products with commercialisation of Urea Tank and 2-wheeler Chassis with entry in highend motor cycles.

With effect from October 15, 2020, Lumax Gill Austem Auto Technologies Private Limited became a 100% subsidiary of the Company on acquisition of balance stake from

the JV partner Gill Austem LLC and the name of the Company was also changed to Lumax Metallics Pvt Limited.

## RESPOND TO COVID-19

During these testing times, we have witnessed several industries and geographies coming to a standstill. However, at LATL, we approached the disaster hands-on and successfully mitigated the impacts of Covid-19 throughout the organization, across various functions. Regular sanitization at our workplaces, Covid-19 awareness program, coupled with mental health drives enabled us to mitigate the pandemic-incurred risks. We feel, our constant endeavour in fighting the pandemic and supporting our stakeholders has holstered our value creation process.

We truly believe, people are our biggest asset, and so, we prioritized our people's health and safety during the discourse of the pandemic. We established quarantine centers at various plant locations, fully equipped with oxygen concentrators, ambulance services and had a basic medical support, including a 24x7 doctor onboard. We also arranged for a workforce vaccination drive, which kick started in April 2021 at our facilities. Over 50% of our employees have been vaccinated and we soon plan on covering the rest.

## FUTURE STRATEGIES

We shall continue making our best possible efforts to hold our long-standing reputation for leadership, trust, and integrity. We also plan on finding innovative ways to add value for our clients. With our highly differentiated capabilities and disciplined business management, we plan on:

- Maintaining product diversity
- Exploring different partners to benefit from the synergies

- Building a robust order book to move towards our next goal
- Achieving leadership in every segment and lay roadmap for the global market

## OUTLOOK

Over the period of time, we have managed to build a robust company with stable as well as strong financials. We have established a reputation of manufacturing quality products that are designed to last longer and pride ourselves upon business relationships that have stood the test of time. As a responsible corporate citizen, we have always emphasized safety, community welfare, and the preservation of, and will continue to do so. Over the last few years, Lumax Auto Technologies has undoubtedly established itself as a frontrunner in the R&D, technology, and innovation space. We strategize to leverage this competitive edge to emerge as a leading player in the global automotive space.

## VOTE FOR THANKS

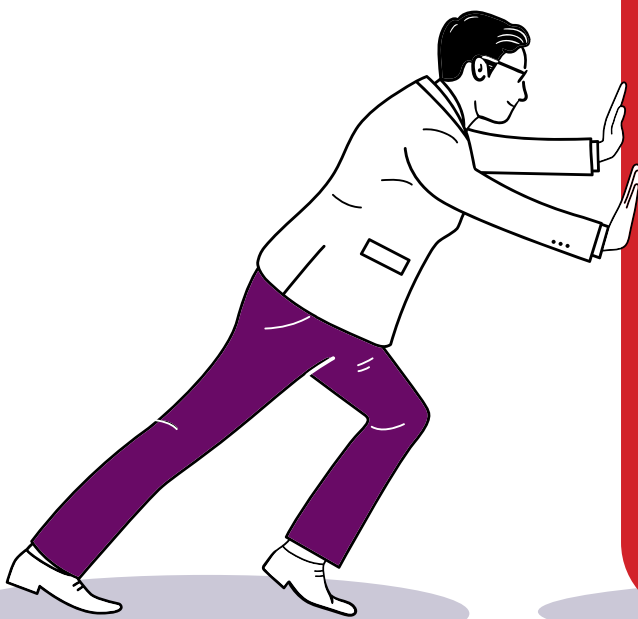
We take this opportunity to extend our gratitude to our investors, whose unwavering trust further strengthened our ambitions and helped us fulfill business goals. We would also like to thank our employees for their outstanding commitment and performance, particularly during this challenging period. We remain humbled by the support that our customers, business associates, bankers, and stakeholders have showered us with, and in return, we shall continue to excel and evolve to truly deserve your complete confidence.

Warm regards,

**D. K. JAIN | ANMOL JAIN | DEEPAK JAIN**

**E** Environmental  
**S** Social  
**G** Governance

AT LUMAX AUTO TECHNOLOGIES, OUR DEDICATION TO INTEGRATE ESG INTO OUR THINKING STARTS FROM THE TOP. OUR RECENT PROGRAMS, MILESTONES, AND FUTURE PLANS REFLECT OUR FOCUS ON ESG ISSUES THAT WE BELIEVE ARE CORE TO OUR BUSINESS, AND A PART OF EVOLVING MARKET EXPECTATIONS.



**SOCIAL**

We are positioning ourselves to attract world-class talent by focusing on education and the future of work to drive inclusion in the industry. We also focus on volunteering to engage using knowledge to benefit communities. This creates a corporate culture of volunteering at Lumax Auto Technologies and contributes to our reputation in society.



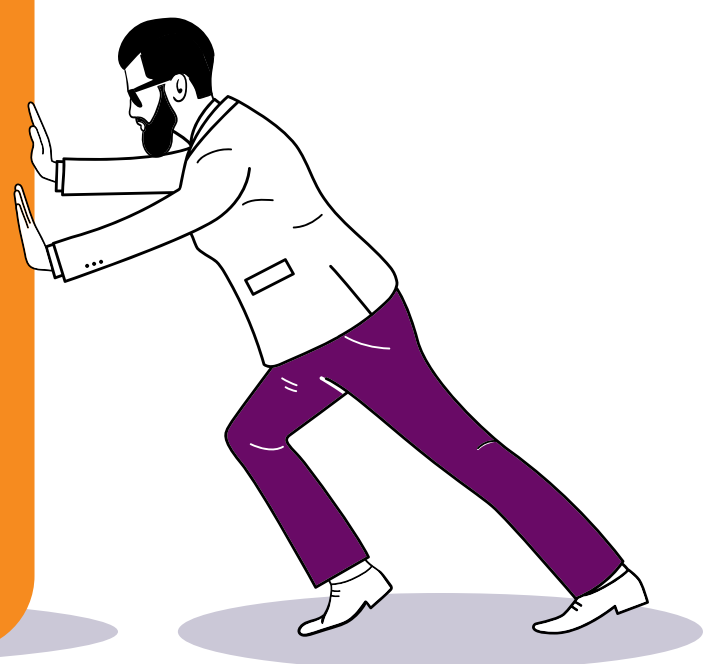
## ENVIRONMENTAL

To promote comprehensive environmental management as a company while responding to a diverse array of environmental issues, Lumax Auto Technologies has a governance system built on dialogue and partnership with each region and many corporate functions, as well as with a variety of stakeholders.



## GOVERNANCE

Our values govern – doing the right thing, the right way. We are dedicated to the highest standards of personal and corporate conduct, and we align our architecture by embedding the principles of good governance in our business. We are also driven by nurturing an open and transparent culture at the core.



# ENGAGING RESOURCES EVOLVING RESPONSIBLY

Lumax Auto Technologies is well-focused towards formulating a method of business that doesn't interrupt environment. We have a basic environment-concern policy in place that governs our efforts to reduce carbon emissions and promote development of eco-friendly products.

## RENEWABLE ENERGY

On the renewable energy front, the Company has installed solar roof tops of around 1.53 MW, and is also working on off-taking of green power from solar group captive park for its group plants. For the same, a power purchase agreement is under finalization. The Company is in discussion with various power producers, who are physically present and have set up, or are at the final stage of finishing, renewable energy plants. This will fetch us significant savings in energy cost and will also help us reduce our business' carbon footprint.

## ENERGY EFFICIENCY

The Company has a clear and transparent environmental stance. The energy department in place ensures that only energy efficient equipment are used within the Company. Furthermore, we plan on cutting down our energy usage plant-wise every year, and in line with this, we identify the pain points, which are then eliminated horizontally within the Company.

## WATER RESOURCES

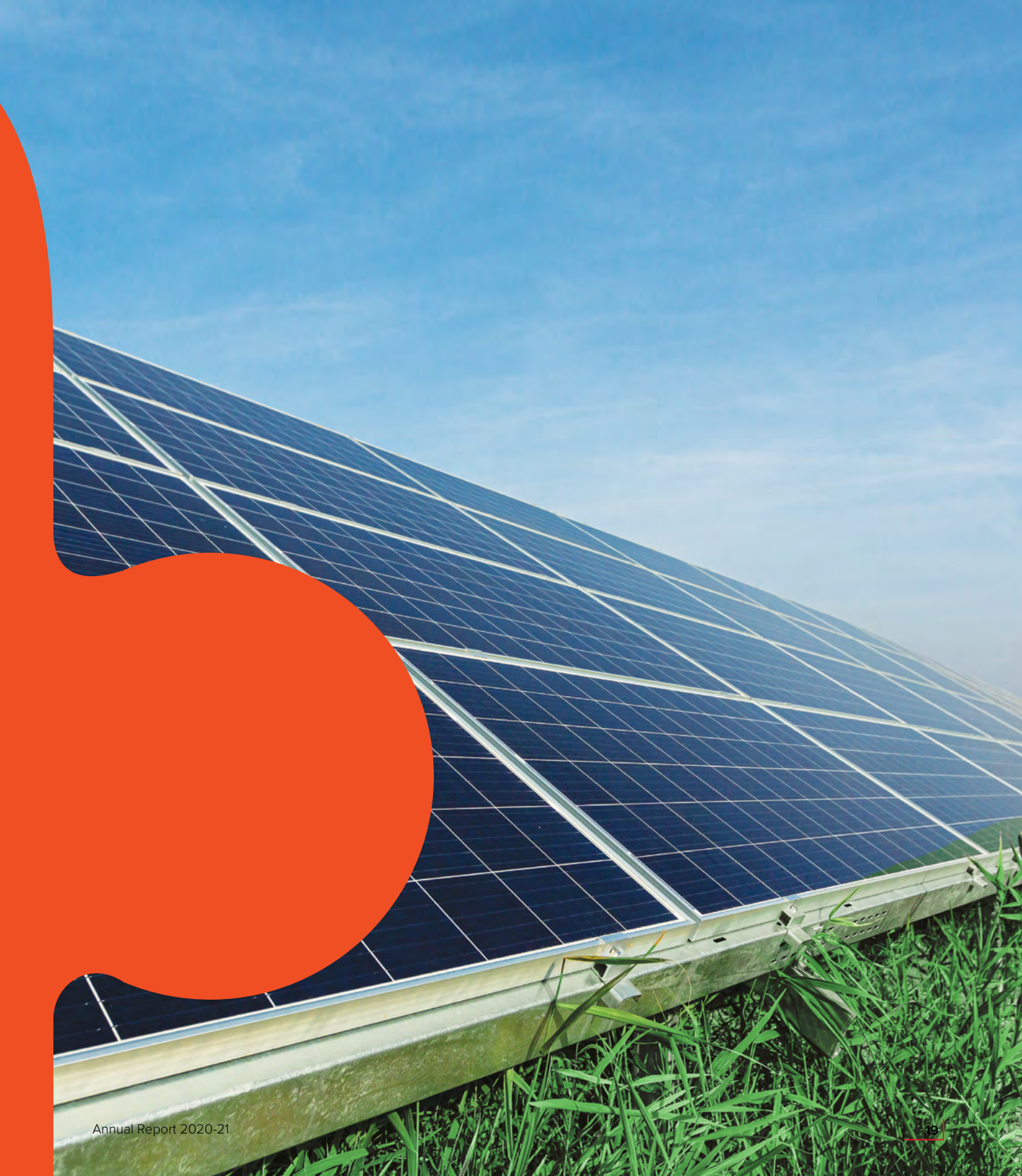
The Company launched a 'Save Water' campaign, which focuses on limiting water usage and also multiplying the efficiency of the available resources within the firm. Addressing the grave issue of water scarcity, the Company encouraged employees to curb their use of water. In addition, the Company invested in facilities and replacements for auxiliary equipment to recycle the water that would otherwise have been discarded.

**1,315\***  
MWh

\*MWh (megawatt-hour) Units generated from installed capacity from April 2020 to March 2021

**1,079**  
tCO<sub>2</sub>/yr\*\*

\*\*Tonne of CO<sub>2</sub> saved owing to electricity generation from solar panels from April 2020 to March 2021



# EVOLVING WITH OUR PEOPLE

We, at Lumax Auto Technologies, recognise our people as the biggest asset. We work tirelessly for the benefit of our customers, employees, and our suppliers. We encourage change and innovation to foster advancement and growth. Our enterprising spirit and creative ideas are spread across the entire business ecosystem, right from product R&D and production to sales and service.

For us, at Lumax Auto Technologies, every employee's well-being and satisfaction is our topmost priority. It helps us improve employee efficiency, effectiveness, boost morale, and reduce employee attrition. At Lumax Auto Technologies, the best and brightest employees contribute their different perspectives and knowledge to innovate and use creative solutions. The Company fully supports its workers through policies that outline clear goals while promoting a free and creative working environment.

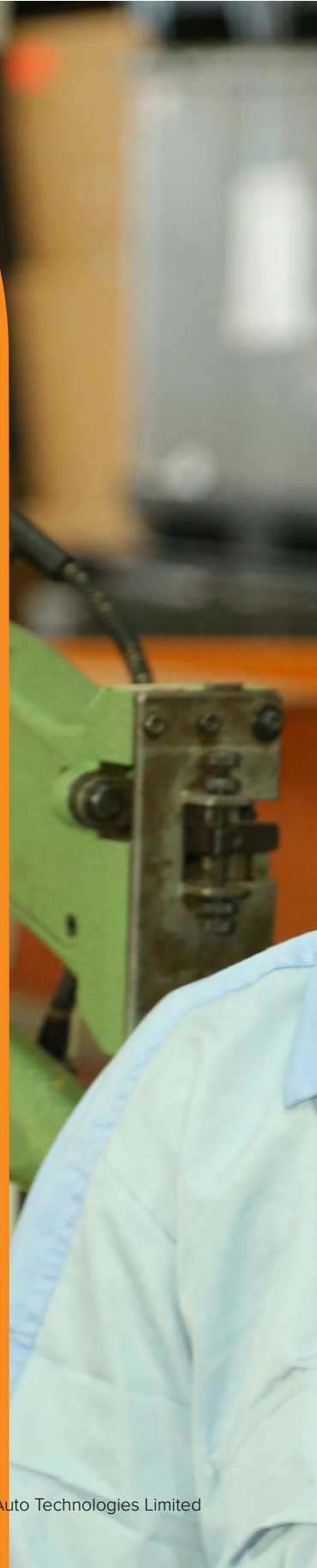
Our people are our key differentiators. It is their determination, dedication, and dependability that gives us a competitive advantage. We consistently focus on bringing talented people onboard. We continuously hone their talent and continue upgrading their skills. So they remain motivated and have the confidence when it comes to collaborating with experts. Our team is dynamic and diverse, and we value every individual's suggestion.

We also focus on building a 'Safety Culture' by maintaining the 'Safety Management System' to reduce the risk of incidents and injuries. This system includes safety rules, safety procedures, safety training, hazard identification, correction, incident reporting and investigation, capturing near-miss accidents, safety communications, and safety suggestions. The Safety Management System contributes to workplace safety and reflects well upon Lumax as a desirable employer.

---

During the year, we successfully rolled out key hr initiatives and talent management practices. Some of our strategies were:

- Motivating workforce to deliver quality output
- Building a culture of participation
- Promoting a sense of belongingness to cope with testing times
- Practising innovation across functions







**2,786**

EMPLOYEES

**380**

TRAINING PROGRAMS

**20\***

ENGAGEMENT ACTIVITIES

**1,279**

MANHOURS OF TRAINING

\* AVERAGE PER PLANT PER YEAR

# EXCELLING CUSTOMER EXPERIENCES

In tandem with changing consumer values and patterns, we are diversifying our reach and building a robust portfolio to serve them better. With our 'hyphenate' approach, we engage with our valued customers right from the beginning to provide quality products and services. With the help of our state-of-art manufacturing facilities, we serve our customers with zero defect products. In this pursuit, we continuously enhance and upgrade our R&D capabilities.

Our diversified product portfolio, robust and lean manufacturing capabilities have enabled us to stay competitive while being the frontrunner in the industry. Lumax prides itself on its palette of extensive, rich, and reliable offerings, which further our existing relationships and enhance our brand equity.

## OUR CUSTOMERS

4-WHEELERS	COMMERCIAL VEHICLES

The brand names mentioned are the property of their respective owners and have been used here for identification purposes only

# EXCELLENCE MANUFACTURED AT

4 Plants & 1 R&D centre  
**MANESAR & GURGAON** (Haryana)

Products Manufactured: Integrated Plastic Modules, Gear Shifters, Transmission Products, Oxygen Sensors

2 Plants  
**PANTNAGAR** (Uttarakhand)

Products Manufactured: Integrated Plastic Modules, Emission Systems

**GURUGRAM** (Haryana)

Aftermarket: Domestic and Export

1 Plants  
**SURENDRA NAGAR** (Gujarat)

Products Manufactured: Gear Shifters

3 Plants  
**WALUJ** (Maharashtra)

Products Manufactured: Chassis, Swing Arm, Trailing Arm

6 Plants & 1 R&D centre  
**CHAKAN AND BHOSARI**

Products Manufactured: Lighting, Emission Systems, Chassis, Swing Arm

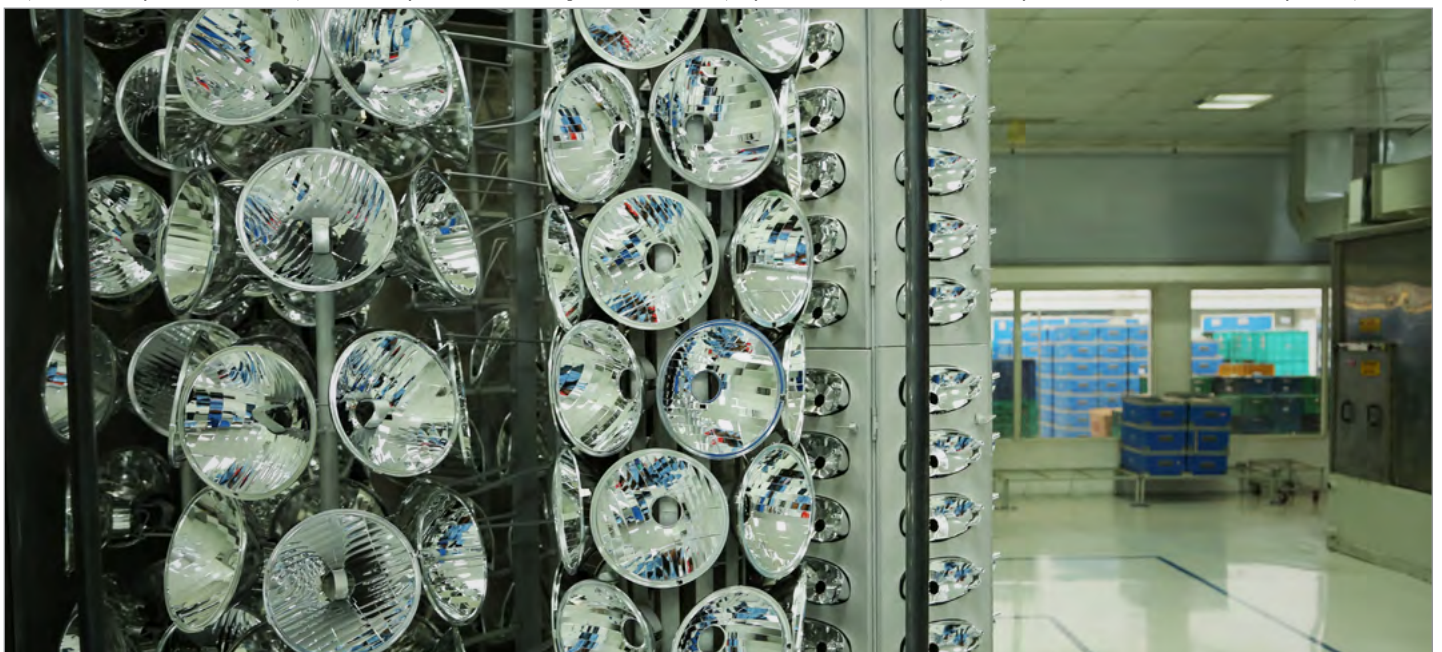
1 Plant  
**BENGALURU** (Karnataka)

Products Manufactured: Integrated Plastic Modules

● Manufacturing facility

● Business Office

This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection to its accuracy or completeness.



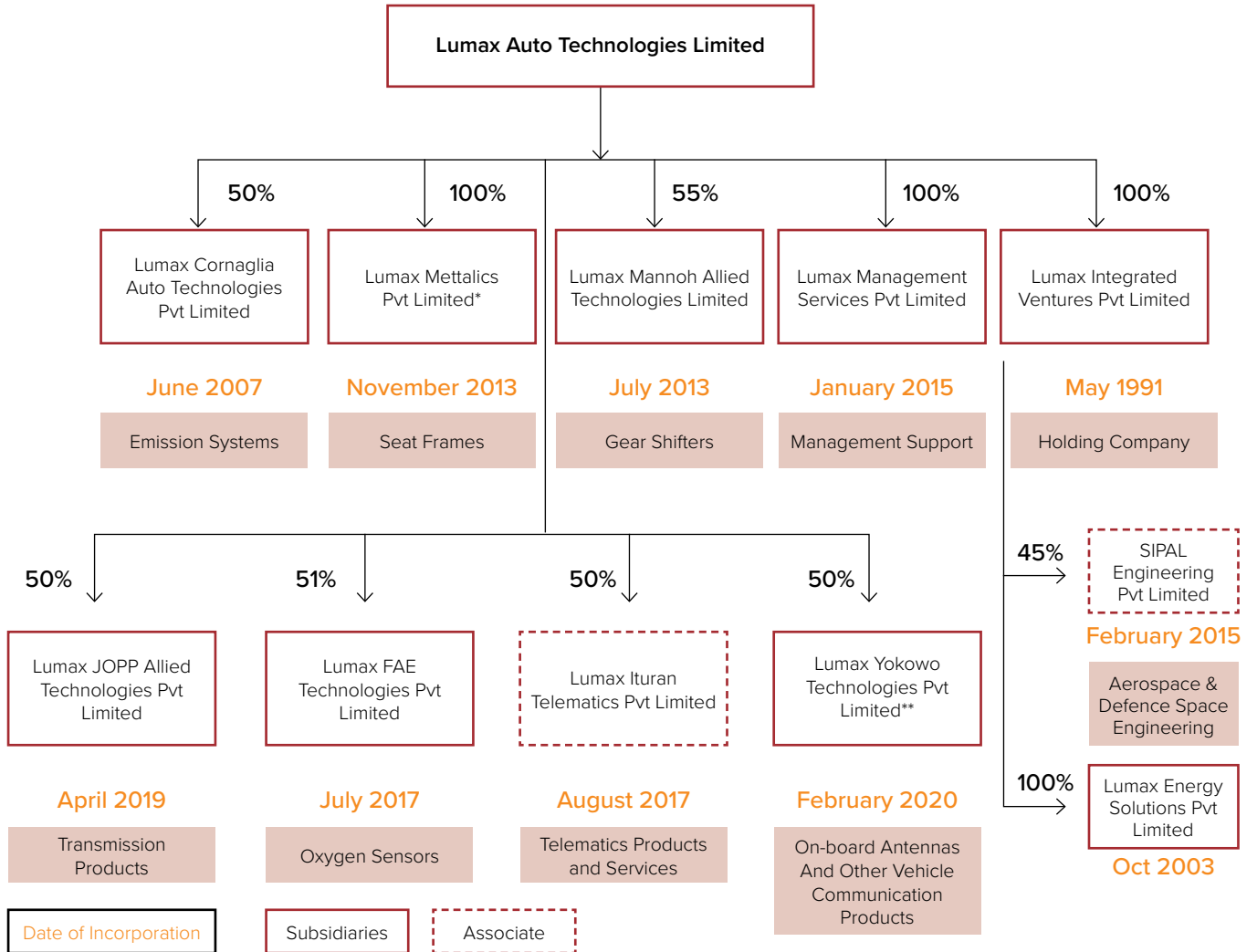
# EVOLVING WITH OUR PARTNERS

In our decades long journey, we have partnered with international automotive leaders to reinforce our competitiveness. It is this spirit of synergy and growing together, which has assisted us in laying the foundation of sustainable development. Our successful collaborations have put us on the front line as an innovative leader with a product range of the highest quality.

## OUR STRONG TECHNICAL COLLABORATIONS TO DELIVER EXCELLENCE

Year of Tie-up	Partners	Products	Holding Details
2007	Cornaglia (Italy)	Emission Systems	50% in Lumax Cornaglia Auto Technologies Private Limited
2013	Mannoh (Japan)	Gear Shifters	55% in Lumax Mannoh Allied Technologies Limited
2017	FAE (Spain)	Oxygen Sensors	51% in Lumax FAE Technologies Private Limited
2017	Ituran (Israel)	Telematics Products and Services	50% in Lumax Ituran Telematics Private Limited
2019	JOPP (Germany)	Transmission Products	50% in Lumax JOPP Allied Technologies Private Limited
2020	Yokowo (Japan)	Antennas & other Vehicle Communication Products	50% in Lumax Yokowo Technologies Private Limited**

# OUR WELL-DEFINED CORPORATE STRUCTURE



\*Formerly known as Lumax Gill-Austem Auto Technologies Pvt Limited

\*\* Presently 100% with LATL



# EXCELLING STEWARDSHIP

**Lumax Charitable Foundation (LCF) has been leading the Corporate Social Responsibility initiatives for the Lumax-DK Jain Group. Lumax is committed to support various programs under India's Sustainable Development Goals (SDGs). In line with the SDGs, Lumax supports – Quality Education & Good Health.**

## EDUCATION

Education as a means to uplift the level of the future generation and make them capable citizens of the country. The initiatives are implemented in the schools to bring about changes in the lives of the students and indirectly impacting the communities in terms of social changes and economic improvement in future.

The pandemic resulted in closure of schools and colleges across the country. Education has changed dramatically with a considerable rise in e-learning. LCF along with its implementation partners during lockdown ensured student engagement and continuity in academic session through online classes. The programs are organised for students of schools in Haryana, Maharashtra, Uttarakhand and Karnataka.

In our endeavour to provide quality education, at Lumax supplement the education system that focuses on academic learning by providing life-

skills training to help the students grow as capable individuals, with the ability to solve problems, inculcate decision making & develop interpersonal as well as intrapersonal skills which are focusing on developing a child's social & emotional skills. The topics covered during the sessions included importance of good habits and their impact on life, inculcating them and effective communication skills. Online life-skills sessions were also organised for primary school students to supplement their classes as also ensure out of school learning experience. Besides soft skills sessions, the focus was also on STEM- Science, Technology, English and Maths.

## HEALTH

LCF also supports preventive and curative health initiatives to ensure good health of the communities. Preventive eye check up and cataract surgeries have been conducted by Lumax with the help of Icare as its implementation partner for many years.

Over 654 surgeries were conducted this year.

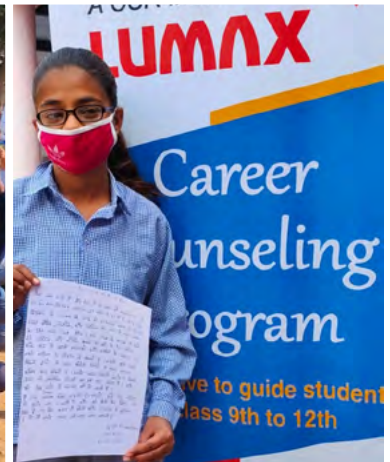
Through the health camps organised during the year, Lumax through its implementation partner –Indian Cancer Society conducted awareness sessions and complete check up including x-ray, blood tests, mammography to provide diagnosis and further treatment. Every year 10 cancer patients are supported with treatment.

Rapid changes in lifestyle, environment and genetics are leading to rampant increase in juvenile diabetes. Due to a lack of awareness, understanding and the high cost of medical treatment, children in underprivileged communities face fatal consequences. To overcome this massive challenge, and to ensure good health of juvenile diabetics from disadvantaged sections of society, LCF is supporting in providing treatment to these children. This initiative started in 2014, and has, over the years, supported 180 children (and counting) with Type-1 diabetes.

As patients and their families were unable to reach the hospital for treatment during the lockdown, LCF and Jehangir Hospital, Pune reached out to provide medical care and dry ration to patients at their doorsteps.

## COVID SUPPORT

Over 6000 people were also supported with dry ration to help them sail through pandemic in Gurugram, Bengaluru and Pune.



# EVOLVING WITH TRANSPARENCY

SOUND CORPORATE GOVERNANCE IS A PRIME FACTOR FOR ESTABLISHING A TRUST-BASED AND ENGAGING RELATIONSHIP WITH SHAREHOLDERS. AT LUMAX, WE WORK VIGILANTLY AND SINCERELY TO STRIKE A BALANCE AND AGREEMENT BETWEEN SHAREHOLDERS, THE BOARD OF DIRECTORS AND EXECUTIVES. THEREBY, PROMOTING TRANSPARENT AND GOOD CORPORATE GOVERNANCE IN THE COMPANY. TRANSPARENCY, TRUSTWORTHINESS, AND BUSINESS ETHICS HAVE BEEN THE OVERARCHING PRINCIPLES THAT LUMAX AUTO TECHNOLOGIES HAS LONG ABIDED BY THROUGH ITS BUSINESS ACTIVITIES.

## BOARD OF DIRECTORS



**MR D. K. JAIN**  
Chairman

M M



**MR ANMOL JAIN**  
Managing Director

M



**MR DEEPAK JAIN**  
Director

C M M



**MR ARUN KUMAR MALHOTRA**  
Independent Director

C M



**MR MILAP JAIN**  
Independent Director

C M



- Audit Committee
- Nomination & Remuneration Committee
- Share Transfer/Stakeholder Relationship Committee
- Corporate Social Responsibility Committee

C Chairman M Member



**MR AVINASH PARKASH GANDHI**  
Independent Director

M



**MR ROOP SALOTRA**  
Independent Director

C M M



**MRS DIVIYA CHANANA**  
Independent Director



**MR SANJAY MEHTA**  
Director

M

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Mr D.K. Jain

Executive Chairman

### Mr Anmol Jain

Managing Director

### Mr Deepak Jain

Non- Executive Director

### Mr Sanjay Mehta

Non- Executive Director

### Mr Arun Kumar Malhotra

Independent Director

### Mr Avinash Parkash Gandhi

Independent Director

### Mr Milap Jain

Independent Director

### Mr Roop Salotra

Independent Director

### Mrs Diviya Chanana

Independent Director

### \*Mr Kanchan Kumar Gandhi

Independent Director

\* Resigned w.e.f 01.02.2021

## BOARD COMMITTEES

### Audit Committee

Mr Arun Kumar Malhotra Chairman

Mr Roop Salotra Member

Mr Milap Jain Member

Mr Avinash Parkash Gandhi Member

Mr Anmol Jain Member

### Nomination & Remuneration Committee

Mr Milap Jain Chairman

Mr Roop Salotra Member

Mr Deepak Jain Member

Mr Sanjay Mehta Member

### Share Transfer/Stakeholder Relationship Committee

Mr Deepak Jain Chairman

Mr D.K. Jain Member

Mr Arun Kumar Malhotra Member

## Corporate Social Responsibility Committee

### Mr Roop Salotra

Chairman

### Mr D.K. Jain

Member

### Mr Deepak Jain

Member

## GROUP CHIEF FINANCIAL OFFICER

### Mr SANJAY MEHTA

## GROUP COMPANY SECRETARY

### Mr Raajesh Kumar Gupta

## CHIEF EXECUTIVE OFFICER

### Mr Vikas Marwah

## CHIEF FINANCIAL OFFICER

### Mr Ashish Dubey

## COMPANY SECRETARY

### Mr Anil Tyagi

## REGISTRAR & SHARE TRANSFER AGENT

### Bigshare Services Pvt Limited.

1<sup>st</sup> Floor, Bharat Tin Works Building

Opp. Vasant Oasis Apartments,

Makwana Road, Marol Andheri

East, Mumbai - 400059

E-mail: vinody@bigshareonline.com

## REGISTERED OFFICE

2<sup>nd</sup> Floor, Harbans Bhawan-II,

Commercial Complex, Nangal Raya,

New Delhi-110046.

E-mail: [shares@lumaxmail.com](mailto:shares@lumaxmail.com)

Website: [www.lumaxworld.in/](http://www.lumaxworld.in/)

[lumaxautotech](http://lumaxautotech)

## CORPORATE IDENTITY NUMBER

L31909DL1981PLC349793

## BANKERS

Canara Bank

Citibank

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

The Hongkong and Shanghai Banking Corporation Limited

## STATUTORY AUDITORS

### M/s S.R. Batliboi & Co. LLP

Chartered Accountants, New Delhi

## INTERNAL AUDITORS

### M/s Deloitte Touche Tohmatsu India LLP

## WORKS

Shed No. 1, Plot No. 33/3, D - 2 Block, MIDC, Chinchwad, Pune, Maharashtra

W-230-E, 'S' Block, M.I.D.C. Bhosari, Pune, Maharashtra

Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra

K- 76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra

B - 14/3, M.I.D.C., Waluj, Industrial Area, Aurangabad, Maharashtra

Sy. No. 334, 366 & 367, Bellur Village, Narsapura Hobli, Kolar, Bengaluru, Karnataka

Plot No. 164-165, Sector-5, IMT Manesar, Gurugram, Haryana

Plot No. 12, Sector- 10, IIE Pantnagar, Distt.- Udham Singh Nagar, Uttarakhand

Plot No. 9, 10, 23-25, Gat No. 53, Sahajapur, Aurangabad, Maharashtra

## MARKETING/ TRADING DIVISION

Plot No. 2, Industrial Estate, Udyog Vihar, Phase IV, Gurugram, Haryana

Khashra No. 25/12/2,18,23,19, Revenue Estate, Vill. Khawaspur, Jamalpur, Haryana

## BOARD'S REPORT

Dear Members,

Your Directors with immense pleasure present the 40<sup>th</sup> Annual Report of Lumax Auto Technologies Limited ("Company") on the business and operations together with Audited Balance Sheet and Statement of Profit & Loss of your Company for the year ended March 31, 2021.

We have established our position in the industry as one of the prominent leaders and are the preferred supplier for all major OEMs. We have a diverse basket of products offering. The below mentioned performance itself speaks volumes of the initiatives, the Company has taken to strengthen the profitability.

The Key highlights of Financial Performance of your Company for the year along with last year figures are as follows:

### I. STANDALONE & CONSOLIDATED

(₹ in Lakhs)

	Standalone		Consolidated	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from Operations	90,294.89	94,236.07	110,792.85	1,14,091.38
Other Income	2,206.43	2,717.95	1,818.47	1,810.15
<b>Total Income</b>	<b>92,501.32</b>	<b>96,954.02</b>	<b>112,611.32</b>	<b>1,15,901.53</b>
<b>Total Expenses</b>	<b>86,934.50</b>	<b>90,828.97</b>	<b>105,388.78</b>	<b>1,09,403.15</b>
<b>Profit before tax, share in net profit/(loss) of associates and exceptional items</b>	<b>5,566.82</b>	<b>6,125.05</b>	<b>7,222.64</b>	<b>6,498.38</b>
Share of (loss) of associates	-	-	(9.33)	(30.10)
<b>Profit before exceptional items and tax</b>	<b>5,566.82</b>	<b>6,125.05</b>	<b>7,213.21</b>	<b>6,468.28</b>
Exceptional items	-	-	(63.00)	-
<b>Profit before Tax</b>	<b>5,566.82</b>	<b>6,125.05</b>	<b>7,150.21</b>	<b>6,468.28</b>
Tax Expenses	1,358.09	997.67	2,034.80	1,367.84
<b>Profit for the year from continuing operations</b>	<b>4,208.73</b>	<b>5,127.38</b>	<b>5,115.41</b>	<b>5,100.44</b>
Profit before tax for the year from Discontinued operations	-	948.58	-	948.58
Tax expense of Discontinued operations	-	123.29	-	123.29
<b>Profit for the year from Discontinued operations</b>	<b>-</b>	<b>825.29</b>	<b>-</b>	<b>825.29</b>
<b>Profit for the year</b>	<b>4,208.73</b>	<b>5,952.67</b>	<b>5,115.41</b>	<b>5,925.73</b>
<b>Profit for the year attributable to -</b>				
a) Owners of Lumax Auto Technologies Limited	4,208.73	5,952.67	4,712.96	5,803.89
b) Non- controlling interests	-	-	402.45	121.84
<b>Other Comprehensive Income</b>	<b>3,854.32</b>	<b>(5,105.30)</b>	<b>3,853.11</b>	<b>(5,086.53)</b>
<b>Other Comprehensive Income attributable to -</b>				
a) Owners of Lumax Auto Technologies Limited	3,854.32	(5,105.30)	3,858.23	(5,093.40)
b) Non- controlling interests	-	-	(5.12)	6.87
<b>Total Comprehensive Income for the year</b>	<b>8,063.05</b>	<b>847.37</b>	<b>8,968.52</b>	<b>839.20</b>
<b>Total Comprehensive Income for the year attributable to -</b>				
a) Owners of Lumax Auto Technologies Limited	8,063.05	847.37	8,571.19	710.49
b) Non- controlling interests	-	-	397.33	128.71
<b>Paid-up Equity Share Capital (Equity shares of ₹ 2 each)</b>	<b>1,363.15</b>	<b>1,363.15</b>	<b>1,363.15</b>	<b>1,363.15</b>
<b>Earnings Per Share Basic &amp; Diluted EPS (in ₹)</b>	<b>6.17</b>	<b>8.73</b>	<b>6.91</b>	<b>8.52</b>

## Board's Report (Contd.)

### A. COMPANY PERFORMANCE

#### STANDALONE:

On Standalone basis, the Company achieved Revenue of ₹ 90,294.89 Lakhs for the FY 2020-21 as compared to ₹ 94,236.07 Lakhs in FY 2019-20, a decline of 4.18%. The Profit before Tax (PBT) from continuing operations stood at ₹ 5,566.82 Lakhs as against ₹ 6,125.05 Lakhs. Similarly, the Profit after Tax (PAT) was recorded at ₹ 4,208.73 Lakhs as against ₹ 5,127.38 Lakhs in last year.

#### CONSOLIDATED:

On Consolidated basis, the Company achieved Revenue of ₹ 1,10,792.85 Lakhs for the FY 2020-21 as compared to ₹ 1,14,091.38 Lakhs in FY 2019-20, a decline of 2.89%. The Profit before Tax (PBT) and exceptional items from continuing operations stood at ₹ 7,213.21 Lakhs as against ₹ 6,468.28 Lakhs. The Profit after Tax (PAT) and before minority interest was recorded at ₹ 5,115.41 Lakhs as against ₹ 5,100.44 Lakhs in last year.

#### DIVIDEND

The Board of Directors (herein referred to as "the Board") have recommended a dividend of ₹ 3/- per equity share (i.e 150%) of face value of ₹ 2/- each for the FY 2020-21 subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM").

The proposed Final Dividend for FY 2020-21, would result in appropriation of ₹ 2,044.73 Lakhs as against ₹ 2,285.58 Lakhs (including dividend distribution tax of Rs. 240.85 Lakhs) in last FY 2019-20. The Dividend payout ratio works out to 48.58%.

The dividend, if declared, will be taxable in the hands of the shareholders subject to tax deduction at source at the applicable rates. For details, shareholders are requested to refer to the Notice of AGM.

The Register of Members and Share Transfer Books shall remain closed from Tuesday, the August 24, 2021 to Tuesday, the August 31, 2021 (both days inclusive). The Dividend as recommended by the Board, if approved by the shareholders at the ensuing AGM shall be paid to the eligible shareholders, whose names appear in the Register of Members as on Monday, the August 23, 2021 within the stipulated time period.

#### AMOUNT TRANSFER TO RESERVES

The Board of the Company do not propose to transfer any amount to reserve other than transfer of undistributed profits to surplus in statement of Profit & Loss.

### B. SUBSIDIARIES AND ASSOCIATE COMPANIES & CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), applicable provisions of the Companies Act, 2013 (herein referred to as "the Act") and Ind AS 110, the Audited Consolidated Financial Statements are provided in the Annual Report of the Company.

As on March 31, 2021, the Company has ten (10) Subsidiaries (including 2 step down subsidiaries) and two (2) Associate Companies. The performance highlights of these Companies are follows:

#### SUBSIDIARIES:

##### Lumax Management Services Private Limited (LMS)

LMS, a 100% subsidiary of the Company is a full-time service provider in form of Corporate Services to its Group Companies. The Revenue of LMS stood at ₹ 2,313.89 Lakhs for the FY 2020-21.

##### Lumax Integrated Ventures Private Limited (LIVE)

LIVE, a 100% subsidiary of the Company was established for manufacturing of Non-Automotive Parts. LIVE has two (2) Subsidiaries Lumax Energy Solutions Private Limited and Velomax Mobility Private Limited. The Consolidated turnover of the LIVE for the FY 2020-21 was ₹ NIL.

##### Lumax Mannoh Allied Technologies Limited (LMAT)

LMAT, a 55% subsidiary, formed in collaboration with Mannoh Industrial Co., Limited, Japan. The entity manufactures gear shifters and enjoys a market leadership position in India. The Revenue of LMAT stood at ₹ 12,299.39 Lakhs for the FY 2020-21.

##### Lumax Cornaglia Auto Technologies Private Limited (LCAT)

LCAT, a 50% subsidiary, formed in collaboration with Cornaglia S.p.A. Italy. The entity manufactures air intake systems, urea tank & injection blow moulded parts. The revenue of LCAT stood at ₹ 7,262.42 Lakhs for the FY 2020-21. The Pantnagar Plant has started commercial production during the year.

##### Lumax Mettals Private Limited (LMPL) (formerly: Lumax Gill-Austem Auto Technologies Private limited)

During the financial Year, LMPL became a 100% subsidiary, consequent upon acquisition of 50% Shareholding from Gill Austem LLC, USA, the JV Partner. Thereafter the name was changed to Lumax Mettals

## Board's Report (Contd.)

Private Limited. The revenue of LMPL stood at ₹ 1,309.89 Lakhs for the FY 2020-21.

### **Lumax FAE Technologies Private Limited (LFAE)**

LFAE, a 51% subsidiary, formed in collaboration with FAE, Spain. The entity manufactures Oxygen Sensors. During the Financial Year, LFAE started commercial production from its facility at Gurugram, Haryana. The revenue stood at ₹ 141.99 Lakhs for the FY 2020-21.

### **Lumax Jopp Allied Technologies Private Limited (LJAT)**

LJAT, a 50% subsidiary, formed in collaboration with JOPP, Germany. The entity manufactures Gear Shift Towers, AMT Kits & AGS. The Revenue of LJAT stood at ₹ 135.80 Lakhs for the FY 2020-21.

### **Lumax Yokowo Technologies Private Limited (LYTL)**

LYTL is a 50:50 Joint Venture between the Company and Yokowo, Japan to manufacture Antennas & other Vehicle Communication Products. It was incorporated on February 20, 2020. During the year, LYTL has generated business enquiries from OEMs for manufacturing of Antennas & other Vehicle Communication Products.

### **ASSOCIATES:**

#### **Lumax Ituran Telematics Private Limited (LITPL)**

LITPL is a 50:50 Joint Venture between the Company and Ituran Location and Control Limited, Israel. During the year, LITPL has secured order from one of the major global OEM.

#### **Sipal Engineering Private Limited (SEPL)**

SEPL is an Associate Company of Lumax Integrated Ventures Private Limited (LIVE). LIVE holds 45% equity in SEPL.

In accordance with the provisions of Section 129(3) of the Act, a report on performance and financial position of Subsidiaries, Associate Companies is presented in this Annual Report in the prescribed Form AOC-1 as a part of Financial Statements.

Further, in accordance with the provisions of Section 136(1) of the Act, the Audited Financial Statements, including the Consolidated Financial Statements and related information and audited accounts of subsidiaries and associates are available on the website of the Company i.e. [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and the same shall also be made available for inspection at Registered Office of the Company during the working hours.

## **II. STATE OF COMPANY'S AFFAIRS**

FY 2020-21 was a tough year for the automotive sector as a whole. According to Society of Indian Automobile Manufacturers (SIAM) report, the industry produced a total 2,26,52,108 vehicles including Passenger Vehicles, Commercial Vehicles, Three wheelers, Two wheelers and Quadricycle during the FY 2020-21 as against 2,63,53,293 produced during last FY 2019-20 showing a degrowth of 14%. The more severely hit segments were the Commercial Vehicle Segment showing a decline of 17% and 3 Wheeler segment the worst impacted showing a decline of 46%. The automotive sector saw both ups and down during this period, witnessing the longest sustained downfall in automotive industry. During this turbulent and unprecedented time, the Company with its strong order book and products in development, remained the market leader and a preferred supplier for all the Original Equipment Manufacturers (OEMs) in India.

It has been a pretty successful year for the Company. It has been able to add new customers in its portfolio coupled with the new businesses from existing customers to improve top line.

To succeed in the digital era, where technologies are changing the ground rules in every industry, the Company undertook several new initiatives for enhancement of its existing Information Technology (IT) systems to meet the regulatory and other organizational requirements. The Company's focus was on automation. The Company implemented following new initiatives:

- Software for virtual meetings to facilitate management for smooth functioning. This resulted in better collaboration between management and employees and a lot of cost saving particularly in travel and other overheads during this period.
- Daily Operations Monitoring Reports and Dashboard to the users directly from SAP.
- Digitisation of champions of cost cutting (CCC), project registration and approval process resulting in quick decision, paperless office and escalation in case of any delay.
- In its endeavour to stay connected with the retail partners, despite the physical distancing and travel restrictions, the Lumax aftermarket launched "Lumax Retail World" an android app for the trade. The retailers, post registration, can access the complete range of Lumax aftermarket catalogue and also place orders online with their respective distributors. Information and notifications on New products are shared real-time and details of the latest offers/schemes etc. can also be explored by the retailers.

## Board's Report (Contd.)

The Company continues to uphold the highest standards of Corporate Governance, treating its various stakeholders as an ethical requisite rather than a regulatory necessity and continue to base all its actions on the principles of fairness, trust and transparency, standing by its core values of Respect, Integrity, Passion and Excellence.

All in all, the Company made good progress in all areas in FY 2020-21, and the management is quite confident that going forward the Company will continue to deliver value to all its customers and stakeholders. The long-term outlook for the Company remains positive and it is poised to outperform the industry.

Having said the above, your directors would like to put a word of caution with respect to spread of pandemic COVID-19 and repetitive countrywide lockdown during March, 2020 and first quarter of the current financial year which has severely hit the industry in general and automotive sector in particular. On account of this, the financial performance of the Company during the FY 2020-21 is affected. Though, the management of the Company has taken various initiatives to optimize costs in order to reduce the impact of COVID-19.

### A. CHANGE IN CAPITAL STRUCTURE

There was no change in the Share Capital of the Company during the year. As on March 31, 2021, the issued and paid-up share capital of the Company was ₹ 13,63,15,410 divided into 6,81,57,705 equity shares of ₹ 2/- each.

- a) Your Company has not issued shares with differential voting rights, not granted employee stock options, sweat equity or bonus shares. The Company does not have any Debentures, Preferential Shares as on March 31, 2021.
- b) Your Company has not made any provisions of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

### B. CAPACITY & FACILITY EXPANSION

During Financial Year 2020-21, the Company has upgraded its manufacturing facilities as per customer requirement.

### C. QUALITY INITIATIVES

Your Company strives to be a supplier of choice across all its customers and is always committed to develop and design new products, in line with its strategy towards delivering competitive advantage to the

customers. In the said perspective, Total Productive Maintenance (TPM) has been successfully implemented across all plants of the Company to create a culture and environment which continuously improves quality, cost and delivery parameters.

In addition, the various plants of the Company have received awards for Quality initiatives in various forums of Quality Circle Forum of India (QCFI) and BAVA KAIZEN Competition, ACMA Kaizen Competition etc. Quality Control Circle (QCC) is an integral part for ensuring quality across all processes. By implementing these various initiatives, improvement of Quality is willingly carried out by employees in true spirit, resulting in minimizing rejection and cost.

### D. MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to the provisions of Regulation 34 of the Listing Regulations, Management Discussion & Analysis Report is annexed as part of this report separately as an **Annexure - A** and provides details on overall Industry Structure and Developments, financial and operational performance and other material developments during Financial Year under review.

### E. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the Financial Year ended March 31, 2021, there was no change in the nature of business of the Company.

## III. GOVERNANCE AND ETHICS

### A. CORPORATE GOVERNANCE

The report on Corporate Governance together with the Auditor's Certificate regarding the Compliance of conditions of Corporate Governance as stipulated in Regulation 34 of the Listing Regulations is annexed and forms part of this Annual Report as an **Annexure - B**.

### B. DIRECTORS & KEY MANAGERIAL PERSONNEL INCLUDING THOSE WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

#### DIRECTORS

The Composition of Board is in conformity with the applicable provisions of Act and Listing Regulations.

During the year under review, Mr. Kanchan Kumar Gandhi (DIN: 08165876) resigned from the position of the "Non-Executive Independent Director" of the Company with effect from February 1, 2021. His resignation was accepted and taken on record by the Board in its meeting held on February 12, 2021.

The Board places on record its deep gratitude and appreciation for the valuable contribution and services

## Board's Report (Contd.)

rendered by Mr. Kanchan Kumar Gandhi during his tenure as independent director of the company.

### KEY MANAGERIAL PERSONNEL

As on March 31, 2021, Mr D.K. Jain, Chairman, Mr Anmol Jain, Managing Director, Mr Vikas Marwah, Chief Executive Officer, Mr Ashish Dubey, Chief Financial Officer and Mr Anil Tyagi, Company Secretary are regarded as Key Managerial Personnel (KMPs) as per the provisions of the Act.

### RETIREMENT BY ROTATION AND SUBSEQUENT RE-APPOINTMENT

In accordance with the Articles of Association of the Company and Section 152 of the Act read with 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. Sanjay Mehta, Director (DIN: 06434661) is due to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

A brief profile of Mr. Sanjay Mehta is provided in the Notice of the ensuing AGM of the Company.

### C. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

As stipulated under the provisions of Section 149 (6) of Act and Regulation 25 of Listing Regulations, the requisite declarations have been received from the Independent Directors regarding meeting the criteria of Independence as laid down under those provisions. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

The Board took on record the declaration and confirmation submitted by the independent directors regarding their meeting the prescribed criteria of independence, after undertaking due assessment of the veracity of the same as required under Regulation 25 of the Listing Regulations.

### D. NUMBER OF BOARD MEETINGS AND COMMITTEES OF BOARD

During the FY 2020-21, the Board met Five (5) times viz. May 02, 2020, June 17, 2020, August 13, 2020, November 10, 2020 and February 12, 2021. It is confirmed that the gap between two consecutive meetings was not more than one hundred and twenty days as provided in Section 173 of the Act.

Pursuant to the requirements of Para VII (f) of Schedule IV of the Act and the Listing Regulations, a separate Meeting of Independent Directors was also conducted on February 25, 2021, without the presence of Non-Independent Directors and Members of the management to review the performance of Non Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Directors, Non Executive, Non-Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board. The details on attendance during the Board Meetings and other Committee Meetings of Board of Directors are provided in Corporate Governance Report which forms part of the Boards' Report.

### E. BOARD DIVERSITY AND POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills qualifications and professional experiences perspectives and backgrounds which is necessary for achieving sustainable and balanced development. The Board has adopted a policy on Nomination, Remuneration and Board Diversity which sets out the criteria for determining qualifications, positive attributes and independence of a Director.

The main features of the Policy are as follows:

1. Objectives
2. Role and Responsibility of Nomination & Remuneration Committee
3. Matters relating to appointment and remuneration of Directors
4. Remuneration to Independent Directors
5. Remuneration to other Employees
6. Term & Tenure

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters is enclosed to this Boards' Report as an **Annexure - C**.

### F. PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

In accordance with applicable provisions of the Companies Act, 2013 and Listing Regulations, 2015 the evaluation of the Board as a whole, committees and all the Directors was conducted, as per the internally designed

## Board's Report (Contd.)

evaluation process approved by the Nomination and Remuneration Committee. The evaluation tested key areas of the Board's work including strategy, business performance, risk and governance processes. The evaluation considers the balance of skills, experience, independence and knowledge of the management and the Board, its overall diversity, and analysis of the Board and its Directors' functioning.

### EVALUATION TECHNIQUE

- The evaluation methodology involves completion of questionnaires consisting of certain parameters such as Evaluation factor, Ratings and Comments, if any.
- The performance of entire Board is evaluated by all the Directors based on Board composition and quality, Board meetings and procedures, Board development, Board strategy and risk management etc.
- The performance of the Managing Director and Executive Directors is evaluated by all the Board Members based on factors such as leadership, strategy formulation, strategy execution, external relations etc.
- The performance of Non- Executive Director and Independent Directors is evaluated by other Board Members based on criteria like managing relationship, knowledge and skill, personal attributes etc.
- It also involves self-assessment by all the Directors and evaluation of Committees of Board based on knowledge, diligence and participation, leadership team and management relations, committee meetings and procedures respectively.
- Further, the assessment of Chairman's performance is done by each Board Members on similar qualitative parameters.

### EVALUATION OUTCOME

The feedback of the evaluation exercise and inputs of Directors were collated and presented to the Board and an action plan to further improve the effectiveness and efficiency of the Board and Committees is put in place.

The Board as a whole together with each of its Committees were working effectively in performance of its key functions- Providing strategic guidance to the Company, reviewing and guiding business plans, ensuring effective monitoring of the management and overseeing risk management function. The Board is kept well informed at all times through regular communication

and meets once per quarter and more often as and when the need arises. Comprehensive agendas are sent to all the Board Members well in advance to help them prepare and ensure the meetings are productive. The Company makes consistent efforts to familiarize the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant, Product Category and Corporate Function from time to time.

The performance of the Chairman was evaluated satisfactory in the effective and efficient discharge of his role and responsibilities for the day to day management of the business, with reference to the strategy and long term objectives.

The Executive Directors and Non-Executive Directors provided entrepreneurial leadership to the Company within a framework of prudent and effective controls, with a balanced focus on policy formulation and development of operational procedures. It was acknowledged that the management accorded sufficient insight to the Board in keeping it up-to-date with key business developments which was essential for each of the individual Directors to maintain and enhance their effectiveness.

### G. RELATED PARTY TRANSACTION AND POLICY

All contracts/arrangements/transactions entered by the Company with related parties were in ordinary course of business and at arm's length basis.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated by the Company. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the provisions of the Act and Listing Regulations.

The details of the related party transactions as per IND AS - 24 are set out in Notes to the Financial Statements of the Company. The Company has formulated a policy on Related Party Transactions, which is available on the Company's website at <http://www.lumaxworld.in/lumaxautotech/relatedparty-transaction-policy.pdf>.

There were no materially significant related party transactions entered into, by the Company with Promoters, Directors or Key Managerial Personnel, which may have a potential conflict of interest for the Company at large.

Form AOC - 2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure - D** of this report.



## Board's Report (Contd.)

Further, the Shareholder approval on Material Related Party Transactions have been taken by way of Postal Ballot Notice dated November 10, 2020 for which the results were declared by the Company on January 15, 2021.

### H. COMPLIANCE MANAGEMENT FRAMEWORK

The Company has a robust and effective framework for monitoring compliances with applicable laws. The Company has installed a Software namely AVACOM for Compliance Management and through this Software the Company is able to get the structured control over applicable compliances by each of the units of the Company.

A separate Corporate Compliance Management Team periodically reviews and monitors compliances by units and supports in effective implementation of same in a time bound manner. The Board and Audit Committee along-with Compliance team periodically monitors status of compliances with applicable laws based on quarterly certification provided by Senior Management.

### I. VIGIL MECHANISM-WHISTLE BLOWER POLICY

The Company has established a vigil mechanism named Whistle Blower Policy, for Directors, employees and business associates to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics, in accordance with the provisions of Section 177 (10) of the Act and Regulation 22 of the Listing Regulations. This mechanism provides for adequate safeguards against unfair treatment of whistle blower who wishes to raise a concern and also provides for direct access to the Chairman of the Audit committee in appropriate/ exceptional cases.

The Whistle Blower Policy is uploaded on the Company website [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech). To further strengthen this mechanism, the Company has launched an Employee App which is available for both android and iOS users to report any instances of financial irregularities, breach of Code of Conduct, abuse of authority, unethical / unfair actions concerning Company vendors /suppliers, malafide manipulation of Company records, discrimination among employees in an anonymous manner to provide protection to the employees and who report such unethical practices and irregularities.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

During the year under review, no incidence under above mechanism was reported.

### J. SECRETARIAL STANDARDS

The Board state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

### K. DIRECTORS RESPONSIBILITY STATEMENT

In terms of section 134 (3) (c) & 134 (5) of the Act and to the best of their knowledge and belief, and based on the information and explanations provided, your Directors hereby make the following statements:

- (i) that in the preparation of the Annual Accounts for the Financial Year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures in the Auditor Report and Notes to Accounts;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) that the Directors have taken proper and sufficient care 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;
- (iv) that the Directors have prepared the Annual Accounts on a "going concern" basis;
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### L. PARTICULARS OF EMPLOYEES

Information on Employees as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report as an **Annexure - E**.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

## Board's Report (Contd.)

a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules which form part of the Directors' Report, will be made available to any shareholder on request, as per provisions of section 136(1) of the said Act.

### M. AUDIT COMMITTEE & COMPOSITION

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Act read with the Rules framed thereunder and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and having experience of Financial Management.

The Audit Committee comprises of Mr Arun Kumar Malhotra as Chairman, Mr Roop Salotra, Mr Milap Jain, Mr Avinash Parkash Gandhi and Mr Anmol Jain as Members.

Mr Anil Tyagi acts as Secretary to the Audit Committee.

The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control processes financial reporting and vigil mechanism.

All the recommendations made by the Audit Committee were accepted by the Board of the Company.

## IV. INTERNAL FINANCIAL CONTROLS AND ADEQUACY

### A. ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO INTERNAL FINANCIAL STATEMENT

The Company has a robust and well embedded system of internal controls in place to ensure reliability of financial reporting, orderly and efficient conduct of business, compliance with policies, procedures, safeguarding of assets and economical and efficient use of resources. Appropriate review and control mechanisms are put in place to ensure that such control systems are adequate and operate effectively.

Periodical programs of Internal Audits are planned and conducted which are also aligned with business objectives of the Company. The meetings with Internal Auditors are conducted wherein the status of audits and management reviews are informed to the Board.

The Company periodically conducts physical verification of its inventory, fixed assets and Cash on hands and matches it with the books of accounts. Explanations

are sought for any variance noticed from the respective functional heads.

The Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2014.

The Company gets its Standalone and Consolidated Financial Statements reviewed every quarter by its Statutory Auditors.

The Company uses an established ERP 'SAP S/4HANA' Systems to record day to day transactions for accounting and financial reporting. The SAP system is configured to ensure that all transactions are integrated seamlessly with the underline books of accounts, which helps in obtaining accurate and complete accounting records and timely preparation of reliable financial disclosures.

### B. RISK MANAGEMENT POLICY

The Company has adopted an enterprise risk management policy and established a risk management framework with an objective of timely identification, mitigation and control of the risks, which may threaten the existence of the Company, in accordance with the provisions of Companies Act, 2013 and Listing Regulations. The Company has also constituted an internal Risk Management Committee to review the risk trend, exposure, potential impact and their mitigation plans, and periodically the key risks are also discussed at the Audit Committee.

### C. CODE OF CONDUCT

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons [Pursuant to Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]. This Code of Conduct is intended to prevent misuse of Unpublished Price Sensitive Information ("UPSI") by designated persons.

The said Code lays down guidelines, which advise Designated Persons on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances. Your Company has also updated its Code of practices and procedures of fair disclosures of unpublished price sensitive information by including a policy for determination of legitimate purposes. Further,

## Board's Report (Contd.)

your Company has put in place adequate & effective system of internal controls and standard processes have been set to ensure compliance with the requirements given in these regulations to prevent insider trading.

### D. AUDITORS

#### STATUTORY AUDITORS

The shareholders have approved the re-appointment of M/s S.R. Batliboi & Co. LLP (Firm Registration No. 301003E/E300005), Chartered Accountants as Statutory Auditors of the Company in the 38<sup>th</sup> Annual General Meeting held on August 23, 2019 to hold office till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2024.

S.R. Batliboi & Co. LLP, Chartered Accountants have furnished a certificate confirming that they are not disqualified from continuing as Auditors of the Company. The Report given by the Statutory Auditors on the Financial Statements of the Company is part of this Annual Report. The Auditor Report does not contain any qualification, reservation, adverse remark or disclaimer.

#### COST AUDITORS

The Board on recommendation of Audit Committee has re-appointed M/s Jitender, Navneet & Co., (Firm Registration No. 000119) as the Cost Auditors of the Company in accordance with Section 148 and other applicable provisions, if any, of the Act for the audit of the cost accounts of the Company for the FY 2021-22.

The remuneration proposed to be paid to the Cost Auditor requires ratification by the shareholders of the Company. In view of this, your approval for payment of remuneration to Cost Auditors is being sought at the ensuing AGM. Accordingly, a resolution, seeking approval by members for the Ratification of the remuneration to be paid to Cost Auditors amounting to ₹ 1.50 Lakhs (Rupees One Lakh Fifty Thousand only) excluding taxes and out of pocket expenses, if any payable to M/s Jitender Navneet & Co., is included in the Notice convening 40<sup>th</sup> AGM of the Company.

The Cost Audit Report for the FY 2019-20 has been filed with the Central Government on October 10, 2020.

#### DISCLOSURE ON MAINTENANCE OF COST RECORDS AS SPECIFIED BY CENTRAL GOVERNMENT UNDER SUB SECTION (1) OF SECTION 148

The Company is maintaining cost records as stipulated under law.

#### SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Maneesh Gupta (Membership No. 4982), Practising Company Secretary as the Secretarial Auditor of the Company to undertake the Secretarial Audit for the FY 2021-22.

The Company has received consent from Mr Maneesh Gupta to act as the auditor for conducting audit of the secretarial records for the Financial Year ending March 31, 2022.

#### ANNUAL SECRETARIAL AUDIT REPORT & ANNUAL SECRETARIAL COMPLIANCE REPORT

The Secretarial Audit Report of the Company and the Secretarial Audit Report of Lumax Manno Allied Technologies Limited (Material Subsidiary of the Company) for the FY 2020-21 in the prescribed Form MR-3 is annexed herewith as an **Annexure - F**. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Pursuant to Circular No. CIR/CFD/CMD1/27/2019 issued by Securities and Exchange Board of India dated February 8, 2019 read with Regulation 24(A) of Listing Regulations, all listed entities on annual basis are required to get a check done by Practising Company Secretary (PCS) on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder and get an Annual Secretarial Compliance Report issued by a PCS in this regard which is further required to be submitted to the Stock Exchanges within 60 days of the end of the Financial Year. Annual Secretarial Compliance Report was submitted to Stock Exchanges on May 18, 2021.

The Company has engaged the services of Mr Maneesh Gupta (FCS No. 4982), PCS and Secretarial Auditor of the Company for providing this certification.

Accordingly, the Company has complied with the above said provisions and an Annual Secretarial Compliance Report has been issued to the Company.

#### INTERNAL AUDITORS

In compliance with the provisions of Section 138 of the Act, read with the Companies (Accounts) Rules, 2014, the Internal Audit, of various units of Company, for the FY 2020-21 was done by M/s Deloitte Touche Tohmatsu India LLP (Firm Registration No. AAE 8458). Further, the Board in their meeting held on June 12, 2021 has appointed M/s Deloitte Touche Tohmatsu India LLP as Internal Auditors for the FY 2021-22.

## Board's Report (Contd.)

### E. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE ACT OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

During the year under review, no frauds were reported by Statutory Auditor and Secretarial Auditor against the Company which would need to be mentioned in this Board's Report.

### V. BUSINESS RESPONSIBILITY REPORT

As stipulated under the Listing Regulations, the Business Responsibility Report ('BRR') has been prepared and forms part of the Annual Report as **Annexure - G**. The Report provides a detailed overview of initiatives taken by your Company from environmental, social and governance perspectives.

### VI. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND INITIATIVES

Your Company is committed to grow and operate in a socially sustainable manner and continue to give back to society. A well-outlined CSR program creates social and environmental value thus impacting and improving the lives of communities. The key focus areas of your Company have been Education and Healthcare for disadvantaged sections of the society. The Company's focus areas are largely covered under Schedule VII of the Act. During the year, the Company continued its support to the existing schools by way of support on career counselling, integrating students in schools providing books and learning aids, meals enhancing holistic education opportunities. Under its healthcare initiatives, the Company is focusing on preventive healthcare by continuously organising health check-up camps, lending financial support to hospitals for juvenile diabetes, cataract operations.

The Company has constituted a CSR Committee of the Board and also developed & implemented a CSR Policy in accordance with the provisions of Act. The Committee monitors and oversees various CSR initiatives and activities of the Company.

#### CONSTITUTION OF CSR COMMITTEE

The CSR Committee of the Board comprises of Mr Roop Salotra as Chairman, Mr D.K. Jain and Mr Deepak Jain as Members. Further, the Board have also adopted the CSR Policy of the Company as approved by the Corporate Social Responsibility Committee which is also available on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech).

The contents of the said policy are as below:

1. CSR Philosophy
2. Constitution of CSR Committee
3. Role of CSR Committee
4. Implementation of CSR Projects, Programs and Activities
5. Allocation of Budget
6. Lumax domains of engagement in accordance with Schedule VII
7. Monitoring and Review Mechanism
8. Management Commitment

The disclosures as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as an **Annexure - H** to this Report in the prescribed format.

### VII. OTHER STATUTORY DISCLOSURES AS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013

#### Names of Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the Year.

During the financial Year, Lumax Gill-Austem Auto Technologies Private Limited became a 100% subsidiary, consequent upon acquisition of 50% Shareholding from Gill Austem LLC, USA, the JV Partner. Thereafter the name of the Subsidiary was changed to Lumax Metallics Private Limited.

#### A. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3) (a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on [www.lumaxworld.in/lumaxautotech/annual-return.html](http://www.lumaxworld.in/lumaxautotech/annual-return.html).

#### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

##### Transfer of Unpaid Dividend

Pursuant to the provisions of Section 124(5) of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven (7) years from the date of transfer to Unclaimed/Unpaid Dividend Account of the Company. Consequently, your Company has transferred ₹ 99,978/- during the year to the IEPF, lying with it for a period of seven years pertaining to the FY 2012-13.

## Board's Report (Contd.)

### Transfer of Shares underlying Unpaid Dividend

Pursuant to the provisions of Section 124(6) of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') the shares in respect of which Dividend has not been claimed or unpaid by the Shareholders for seven (7) consecutive years or more shall also be transferred to the Demat account of IEPF Authority. During the year, your Company had transferred 5 shares to the Demat Account of the IEPF Authority on December 18, 2020 as per the requirement of IEPF Rules.

It may be noted that the due date for transfer into IEPF of the Unpaid/Unclaimed Dividend lying in the Unpaid Dividend Account of the Company for the FY 2013-14 along with the underlying Equity Shares is August 27, 2021. Accordingly, concerned Shareholders are requested to kindly claim the Unpaid/unclaimed Dividend along with the underlying Shares. The Notice as stipulated pursuant to the provisions of Section 124 of the Act read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 has been published in the newspapers on May 22, 2021 viz. the Financial Express (English- All Edition) and Jansatta (Hindi-Delhi), titled- "TRANSFER OF UNPAID DIVIDEND AND THE UNDERLYING SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)" inviting the attention of the Shareholders to claim their Dividends along with the underlying Equity Shares and in this regard, the Company had also sent the Individual notices to the concerned Shareholders.

### B. FIXED DEPOSITS

During the year under review, the Company has neither accepted nor renewed any Deposit under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

### C. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the Notes to Financial Statements.

### D. MATERIAL CHANGES AND COMMITMENTS

During the financial Year, Lumax Gill-Austem Auto Technologies Private Limited became a 100% subsidiary, consequent upon acquisition of 50% Shareholding from Gill Austem LLC, USA, the JV Partner. Thereafter the name of the Subsidiary was changed to Lumax Mettalics Private Limited.

### E. INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

One of the several commitments that continued to remain in force throughout the Financial Year was developing business along with improvement in environmental performance to maintain a reliable and sustainable future.

During the course of the year, the manufacturing units of the Company have continued their efforts to reduce energy consumption in all areas of its operations. These manufacturing units are constantly encouraged to improve operational activities and maximising production volumes and minimizing consumption of natural resources. Systems and processes have been put in place for utilization of alternate sources of energy and monitoring of energy consumption for all the units.

Disclosure of information regarding Conservation of Energy, Research & Development, Technology Absorption and Foreign Exchange Earning and Outgo etc. under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is annexed as **Annexure - I** to this Report.

### F. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

### G. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per MCA notification dated July 31, 2018, a "Statement that the Company has complied with the provisions related to Constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)" has to be included in the Board's Report.

In accordance with the above-mentioned provisions of POSH, Company is in compliance with and has adopted the "Policy on Prevention of Sexual Harassment of Women at Workplace". The constitution of ICC is as per the provisions of POSH and includes external Members from NGO or those individuals having relevant experience.

In accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted the "Prevention of Sexual Harassment at Workplace Policy"

## Board's Report (Contd.)

and constituted ICC for Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the related aspects.

The Committee meets as and when required, however minimum one meeting is ensured during the Financial Year to discuss strengthening safety of employees at workplace and also to resolve/ address related issues, if any reported during the year.

During the year under Review i.e. FY 2020-21, 20 (twenty) Meetings of ICC across all plant locations were held. Further, as per the applicable provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company continues to submit Annual Report to the District Officer consisting of details as stipulated under the said Act.

### H. ENVIRONMENT HEALTH & SAFETY

The Company focus on "Safety Culture Building" by maintaining the "Safety Management System" to reduce the risk of incident and Injuries. This system includes safety rules, safety procedures, safety training, hazard identification, correction, Near miss incident Capturing and investigation, Safety Management System contribute, not only to improve the workplace Safety, but it also influence the organization Safety Culture.

Apart from the above, your Company has also performed below activities in FY 2020-21 sincerely:

1. Hazards identification and Risk assessment of Machine
2. Safety Gemba Audit and monitoring all critical Points
3. Regional Safety Meeting at all regions
4. KYT - Kiken Yochi Training (Identifying hazard and taking corrective measures with the help of actual users)
5. Hazards specific Safety training (Fire Fighting, First Aid, Electrical Safety, Chemical & Machine Safety & Evacuation Drill )
6. Prepared Safety manual for Standard Operating Procedures
7. Identified probable emergency and prepared Emergency Response Manual
8. Prepared standard KYT Manual
9. Comprehensive review / surveillance audit done as per ISO 14001:2015 (Environment Management System) and IS 45001 (Occupational Health & Management system)

From the last three years, the Company also commenced the Fire Risk Assessment Audit for Tier-2 (53 Nos) Suppliers to reduce the fire related incident and achieved significant OK result, and also started the Safety Audit from last year for Tier-2 (9 Nos) suppliers to reduce the human injury and also monitoring the injury status, Delivered the awareness program to the suppliers related to Fire, Electrical and Fire Mock drill.

By ensuring all the above, zero accident level is maintained for last three years. Induction programme & regular training of employees and the introduction of formal safety management system help the Company to mitigate future incidents.

### I. CONTRIBUTION TO EXCHEQUER

The Company is a regular payer of taxes and other duties to the Government. During the year under review, the Company paid all its statutory dues & presently no dues are outstanding more than six months. The Company ensures payment of all dues to exchequer well within timeline as applicable.

### ACKNOWLEDGEMENT

It is our belief that we have a leadership team with the right experience and skills to take us into the next decade of growth. We continue to build our skills and add appropriate resources, which will help the Company deliver solid results in the years to come. Your Directors place on record their sincere gratitude and appreciation for the continued co-operation and support extended to the Company by its highly valued customers, Joint Venture Partners, all the shareholders, financial institutions & Banks, various Government Agencies.

Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

For and on behalf of the Board of Directors of  
**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

Place: New Delhi

Dated: June 12, 2021

# Annexure – A

## Management Discussion and Analysis

### ECONOMY

#### Global Economy

The global GDP contraction for 2020 is estimated at 3.3%, as compared to an expansion of 2.9% in 2019. This de-growth can be attributed to the pandemic-induced strict restrictions, and the resultant halt in economic activities in several sectors.

Amid exceptional uncertainty, the global economy is projected to grow 6% in 2021 and 4.4% in 2022. This projection is based on the expectations of additional fiscal support in a few large economies, and recent additional COVID-19 vaccine approvals coupled with large-scale vaccinations across the globe. Although vaccination has raised hopes of a turnaround in the pandemic later this year, renewed waves and new variants of the virus pose concerns for the outlook, thereby giving us a good reason to maintain cautious optimism.

#### Indian Economy

Having entered into a pandemic-induced recession, India's GDP fell by 8% points in 2020, as compared to rising by 4.2% in 2019. This was on account of strict restrictions and the consequent decline in economic activity.

The Indian economy is showing early signs of a broad V-shaped recovery, owing to larger public stimulus spends, the revival of consumer confidence, robust financial markets and an uptick in manufacturing activity. Key factors that are expected to drive this rebound include normal monsoons,

success in averting a full-fledged second wave of COVID, and discretionary spending staying unaffected by cost pressures. In its latest edition of World Economic Outlook published in April 2021, IMF said it expects India's GDP to grow 12.5% in FY 2021-22, the highest among emerging and advanced economies. GDP growth for FY23 is pegged at 6.9%.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021>)

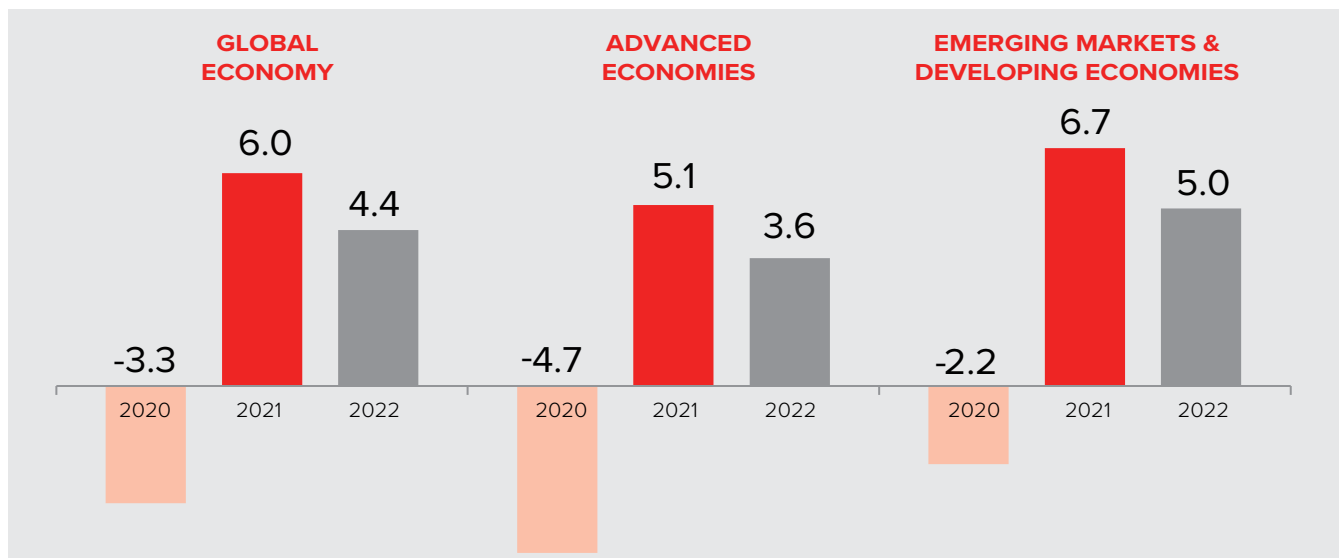
### AUTOMOTIVE INDUSTRY OVERVIEW

#### Global Perspective

The automotive sector globally employs 9 Million people directly and 45 Million people indirectly (in auto components), leading to more than 5% of the global manufacturing employment. The automotive sector worldwide was severely impacted due to the economic slowdown. Among other events was the severe shortage of chips in automotive sector.

Automobile sales dropped 14% and total vehicles sold across major global markets declined to 66.5 Million in 2020, the lowest number of annual sales for nearly a decade. Out of this, 56 Million were passenger vehicles. At 3.1 Million units, the share of EVs sold in the total passenger car market grew to 5.5%, a landmark year for electric vehicles. (Source: <https://www.businesstoday.in/sectors/auto/electric-vehicles-global-sales-jump-39-percent-in-2020-3-Million-units-sold/story/430707.html>)

Global Economic Growth



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021>)

## Annexure – A (Contd.)

Alternative powertrain technologies, electric and hybrid vehicles, smaller vehicles (subcompacts, microcars and superminis), clean-energy vehicles, driverless cars, automated factories and online purchase of vehicles are emerging as the major trends in the automotive sector going forward (Source: McKinsey report titled ‘The road to 2020 and beyond: What’s driving the global automotive industry?’).

### INDIAN STRUCTURE AND DEVELOPMENTS

#### Indian Automobile Industry

The Indian automobile sector is one of India’s principal industrial catalysts, providing jobs to more than 35 Million people, directly or indirectly, and contributing around 7.1% to India’s overall GDP and 49% to manufacturing sector GDP. The Indian automotive sector comprises of passenger

vehicles, commercial vehicles as well as 2 and 3 wheelers. (Source: <https://www.investindia.gov.in/sector/automobile>)

The Indian Auto Industry was adversely impacted by the pandemic, and was among the most severely affected sectors. Total vehicle production and sales witnessed a de-growth of 14%. In the FY 2020-21, there was a de-growth in vehicle sales of all segments compared to the previous fiscal year. Passenger Vehicles, with sales of 27.11 Lakhs units, was marginally lower by 2.24% YoY. There was a 13.19% decline in Two-Wheeler sales, at 151.19 Lakhs units. Commercial Vehicles sales contracted by 20.77% to 5.69 Lakhs units. Three-Wheelers was the most drastically impacted segment, with sales falling 66.06% YoY, to 2.16 Lakhs units.

#### Annual Automobile Sales By Segment

(Number in, 000)

	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	CAGR %
Passenger Vehicles	3,289	3,377	2,774	2,711	-6.2
Commercial Vehicles	857	1,007	718	569	-12.8
Three Wheelers	636	701	637	216	-30.2
Two Wheelers	20,200	21,180	17,416	15,119	-9.2

(Source: SIAM report titled ‘Production, Domestic Sales and Exports data for the FY 21 (April 2020 to March 2021)’, published on April 12, 2021)

Automotive sector profits in emerging markets (BRICs and RoW) are expected to grow three times as fast as that in developed economies. Emerging markets’ share of global auto sales have risen from 50% in 2012 to 60% in 2020; emerging markets are expected to account for 75% of incremental volume growth. India is expected to be the world’s third-largest automotive market in terms of volume by 2026. (Source: McKinsey report titled ‘The road to 2020 and beyond: What’s driving the global automotive industry?’)

According to SIAM’s projections, in the FY 2021-22, growth is expected to be 22% in the passenger vehicles, 28% in Commercial Vehicles, 18% in 2 & 3 wheeler vehicle segment and 13 % in tractor segment. However, a sharp spike in metal (raw material) prices in recent times, may impact margins. Sales in the industry are expected to rise on account of the changing customer preferences, away from ride sharing and public transport (due to the pandemic) and towards owning a vehicle.

#### Auto-component Industry

The Indian auto-components industry comprises of various product segments, such as lighting, lamps, fasteners, castings, suspension and braking parts, valves, steering parts, engine parts, electrical, weather strips, forgings, pistons, carburetors, axles, clutches, gaskets, chassis, and shock absorbers among others.

The industry has experienced healthy growth over the last few years, expanding at a CAGR of 6% from FY16 to FY 2019-20 to reach USD 49.3 Billion in FY 2019-20. The industry is expected to reach USD 200 Billion by FY 2026. Auto-components industry account for 2.3% of India’s Gross Domestic Product (GDP) and employs as many as 1.5 Million people directly and indirectly. In November 2020, Union Cabinet announced PLI scheme in auto and auto components industry, over a five-year outlay, of ₹ 57,042 Crore.



## Annexure – A (Contd.)

Automobile components export from India are expected to grow 23 % annually to reach USD 80 Billion by 2026. India's export of auto components increased at a CAGR of 7.6% during FY 2015-16 to FY 2019-20 as the value increased from USD 10.83 Billion in FY16 to USD 14.5 Billion in FY 2019-20, and exports is expected to comprise 26% of the industry by 2021. India is geographically closer to key automotive markets like Middle East and Europe, as compared to competitors. Being the world's second largest steel producer, India has an inherent cost advantage.

### Outlook

Increasing investments by the Government of India in road infrastructure, is expected to further boost this growth. Digitalization in vehicles, in terms of Electric Vehicles, Hybrid Vehicles, and Self-Driving Vehicles, are likely to be the key focus areas for OEMs post Covid-19, given the changing preference for personal cars rather than shared vehicles, due to the pandemic.

(Source: [www.business-standard.com](http://www.business-standard.com))

### OPPORTUNITIES

#### Rising Income Levels

Rising income levels and thus exponentially rising discretionary expenditure, coupled with the low car penetration rate in India, is expected to result in growth opportunities for the automotive industry. As more and more middle class Indian households aspire to own a car, the automotive sector is likely to experience a tailwind.

#### Rising Road Connectivity

Road transportation has gradually increased over the years with improved connectivity between cities, towns and villages in the country.

In the Union Budget 2021, the Honorable Finance Minister announced an investment of ₹ 1,18,101 Crore (USD 16.20 Billion), towards road transport and highway sector (Source: <https://www.ibef.org/industry/infrastructure-sector-india.aspx>). This is expected to indirectly boost automotive sector growth.

#### Electric vehicles

There has been tremendous growth in electric vehicles, on account of environmental factors as well as declining cost of

batteries. EVs are likely to expand the overall industry, and thereby improve growth prospects.

#### Value Migration from China to India

Post the Covid-19 pandemic, the world is seeing anti-China sentiments, as evidenced by trade bans, border clashes, and banning of Chinese mobile applications. India will be the biggest beneficiary of this, rather than other Asian nations, owing to surplus availability of labour, suitable manufacturing conditions, low wage costs and abundance of raw materials.

### THREATS

#### Discretionary Nature of Industry

The automotive and automotive component industries are inherently cyclical in nature, owing to their discretionary status. This makes the industry vulnerable to a downturn, in case of a rise in unemployment, or a decline in income levels.

#### Third Wave of Covid-19

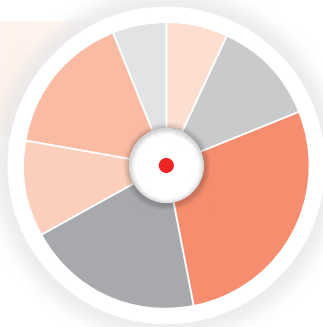
A third wave of the virus could adversely affect the demand trends in the domestic automobile industry, due to lower discretionary spending, on account of lower per-capita income.

#### Business Overview

Founded in the year 1981, Lumax Auto Technologies Limited is a part of the Lumax-DK Jain Group and has carved its strong position in Auto Component industry. Having four decades of existence, LATL has emerged as a preferred supplier to leading OEMs across two wheelers, three wheelers and four wheelers automotive segments. It has 9 State of the art manufacturing facilities spread across 4 states and 6 international partnerships. Our partnerships with global giants such as Mannoh (Japan), Yokowo (Japan), JOPP (Germany), Cornaglia (Italy), FAE (Spain) and Ituran (Israel), make us among the leading automotive component manufacturers in the country. With advanced technologies related to safety sensors, telematics, fleet management, auto cruise, navigation, parking assistance, infotainment and anti-theft systems expected to drive growth in the coming years, LATL has strongly positioned itself to offer advanced solutions to its customers. Our product portfolio comprises of Integrated Plastic Modules, Chassis, Two/Three Wheelers Lighting, Gear Shifters, Emission Systems, Oxygen Sensors and After Market Division.

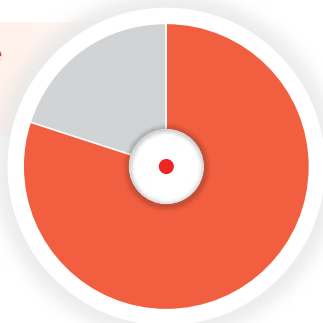
## Annexure – A (Contd.)

### Product-wise revenue mix FY21



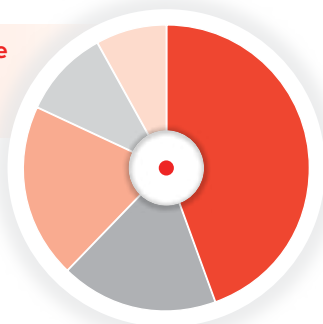
Product	%
Emission Systems	7%
2/3W Lighting	12%
Integrated Plastic Modules	28%
After Market Division	20%
Gear Shifter	11%
Chassis	16%
Other Misc.	6%

### Channel-wise revenue mix FY21



Channel	%
OEM	80%
After Market	20%

### Segment-wise revenue mix FY21



Segment	%
2/3-Wheeler	45%
Passenger Car	18%
After Market	20%
CV	10%
Others	7%

### Financial Performance

The Company, on a consolidated basis, registered a revenue of ₹ 1,10,792.85 Lakhs in FY 2020-21 down by 2.89% against the consolidated revenue of ₹ 1,14,091.38 Lakhs in FY 2019-20. The Company reported EBITDA of ₹ 11,610.52 Lakhs in FY 2020-21 as against ₹ 10,875.45 Lakhs in FY 2019-20. The Profit After Tax and Minority Interest from continuing operations stood at ₹ 4,712.96 Lakhs in the FY 2020-21 as against ₹ 4,978.60 Lakhs in FY 2019-20. Similarly, EPS stood at ₹ 6.91 in FY 2020-21 as against ₹ 7.30 in FY 2019-20 on the face value of ₹ 2 per equity share.

Debtors Turnover	FY 2019-20	FY 2020-21	% change
------------------	------------	------------	----------

Based on year closing data 6.98 5.86 -16

Reason: Lower Sales in month of March 2020 due to Covid-19

Inventory Turnover	FY 2019-20	FY 2020-21	% change
--------------------	------------	------------	----------

Based on year closing data 11.99 8.98 -25

Reason: Negligible Sales in Q1 FY 2020-21

Creditors Turnover Ratio	FY 2019-20	FY 2020-21	% change
--------------------------	------------	------------	----------

Based on year closing data 5.79 4.33 -25

Reason: Less Purchase in month of March 2020 due to Covid-19

Interest Coverage Ratio	FY 2019-20	FY 2020-21	% change
-------------------------	------------	------------	----------

Based on year closing data 7.76 8.34 7

Reason: Increase in operating profit

Current Ratio	FY 2019-20	FY 2020-21	% change
---------------	------------	------------	----------

Based on year closing data 1.29 1.30 1

Reason: No significant change

Debt (Long Term) Equity Ratio	FY 2019-20	FY 2020-21	% change
-------------------------------	------------	------------	----------

Based on year closing data 0.05 0.05 0%

Reason: No change

Operating Profit Margin	FY 2019-20	FY 2020-21	% change
-------------------------	------------	------------	----------

Based on year closing data 6.51 7.40 14

Reason: Cost Optimization during the year.

Net Profit Margin	FY 2019-20	FY 2020-21	% change
-------------------	------------	------------	----------

Based on year closing data 4.36 4.25 -3

Reason: No significant change

### Details for Changes in Return on Net Worth:

Return on Net Worth	FY 2019-20	FY 2020-21	% change
---------------------	------------	------------	----------

Based on year closing data 11.16% 8.88% -20

Reason: Due to adoption of lower tax rate in FY 2019-20.

## Annexure – A (Contd.)

### Risks and Mitigation

The objective of our risk management activities is to recognize, assess and manage risks early on, and to implement appropriate measures to mitigate them. Risk management at Lumax is a continuous process of analysing and managing all the risks posed to the business. Many risks are affecting the smooth functioning of the Company's operations.

Risk	Impact	Mitigation
<b>Competition risk</b>	A rise in competition could negatively impact our market share, margin profile, and return on capital employed.	Being the market leader in gear shifters, our technological expertise, strategic alliances and long-standing customer relationships help us mitigate this risk.
<b>Foreign currency exchange rate risk</b>	1% of our revenue comes from exports, and 1% of our raw material comes from overseas.	We mitigate this risk by way of our robust foreign exchange hedge mechanism and systems, such as forward contracts, futures contracts, options, and swaps.
<b>Raw material price risk</b>	India's Wholesale Price Index inflation hit an 8-year high, at 7.39% in March 2021. Any further increase in steel prices could adversely impact our margin profile.	The Company has ongoing improvement initiatives, like conversion cost reduction, supply chain efficiency improvement, and material yield improvement.
<b>Labor disputes risk</b>	Industrial disputes lead to industrial action which impacts our ability to meet clients' demand.	We maintain an open and positive relationship with all the employees, subcontractors, workers, etc. with constant and continuous communication.
<b>Customer concentration risk</b>	Top 3 customers account for 66% of total sales.	We mitigate this risk by strengthening customer relationships, increasing wallet share and gradually diversifying our client base by adding new clients.

### Significant Development in Human Resources

At Lumax, people are our key differentiators. It is their determination, dedication and dependability that gives us a competitive advantage. We focus on bringing talented people on-board, sharpen their skills through training and motivate them to collaborate and innovate with experts to upgrade their skills. Our team is dynamic and diverse and we value the suggestions of every individual.

Last year, we successfully rolled out key HR initiatives and talent management practices. These reinforced the principles to help employees realize their potential.

- Motivating workforce to deliver quality output
- Building a culture of participation that will enable us to relish our customers
- Promoting the culture of innovation and belonging to help make a difference

For the overall development of employees, training and skill development is very important. A comprehensive training structure is laid down for all employees. In addition to the induction training, regular training on job-related modules is also provided to help employees improve continually in the performance of their duties. Such initiatives help attract and

retain best talent across the industry. The strength of the group thus lies in working and growing together as a team.

Quality Control Circles constitutes an essential part behind the growth of Lumax. It has helped in the overall development of numerous employees. The practice of Quality Control Circles connects people, processes and products to deliver noteworthy results. Kaizen, Quality Circles, Total Productivity Maintenance, Total Quality Management, 5-S, 6 sigma, 7-W and other international shop floor improvement initiatives are adopted and followed to enhance processes and productivity. The total number of employees as on March 31, 2021 were 2,786.

### Environment, Health, Safety

The Company focus on "Safety Culture Building" by maintaining the "Safety Management System" to reduce the risk of incident and Injuries. This system includes safety rules, safety procedures, safety training, hazard identification, correction, Near miss incident Capturing and investigation, Safety Management System contribute, not only to improve the workplace Safety, but it also influence the organization Safety Culture.

## Annexure – A (Contd.)

Apart from the above, your Company has also performed below activities in FY 2020-21 sincerely:

1. Hazards identification and Risk assessment of Machine
2. Safety Gemba Audit and monitoring all critical Points
3. Regional Safety Meeting at all regions
4. KYT - Kiken Yochi Training (Identifying hazard and taking corrective measures with the help of actual users)
5. Hazards specific Safety training (Fire Fighting, First Aid, Electrical Safety, Chemical & Machine Safety & Evacuation Drill )
6. Prepared Safety manual for Standard Operating Procedures
7. Identified probable emergency and prepared Emergency Response Manual
8. Prepared standard KYT Manual
9. Comprehensive review / surveillance audit done as per ISO 14001:2015 (Environment Management System) and IS 45001 (Occupational Health & Management system)

From the last three years, the Company also commenced the Fire Risk Assessment Audit for Tier-2 (53 Nos) Suppliers to reduce the fire related incident and achieved significant OK result, and also started the Safety Audit from last year for Tier-2 (9 Nos) suppliers to reduce the human injury and also monitoring the injury status, Delivered the awareness program to the suppliers related to Fire, Electrical and Fire Mock drill.

By ensuring all the above, zero accident level is maintained for last three years. Induction programme & regular training of employees and the introduction of formal safety management

system help the Company to mitigate future incidents.

### Internal Control Systems

The internal control structure is designed to operate as a well-integrated system. It comprises regular risk assessment, mitigation and monitoring. The Company first identifies key business risks using its analysis and then takes mitigating steps towards the same. The Company's internal team and an independent internal audit firm keep a close eye on business operations. Deviations, if any, are immediately brought to the notice of the Management and Audit Committee for timely action and correction. Well-documented policies and procedures enable the Company to strictly adhere to all applicable procedures, laws, rules and statutes. The Company's robust IT systems safeguard its sensitive data and ease out audit process. Accounting Standards are strictly followed while recording transactions. A host of strategies are devised in addition to robust MIS systems, for real-time reporting, so as to control expenses. Any variance from budgetary allocations are promptly reported and corrected to ensure strict compliance.

### Cautionary statement

Statements in the Management Discussion and Analysis Report describing your Company's projections, estimates and expectations may be interpreted as "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to its operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets in which it operates, changes in Government regulations, tax laws and other statutes. Your Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

## Annexure – B

### Corporate Governance Report

**In terms of Regulation 34(3) read with Section C of Schedule V to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company strongly believes that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all the stakeholders. The Company always endeavours to carry its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs.

The Company considers it absolutely essential to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country.

As a corporate citizen, the business fosters a culture of ethical behaviour and disclosures aimed at building trust of all stakeholders. Achieving good governance is an on-going process of the Company.

#### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. It emphasizes wealth creation for society, protection & interest enhancement for all stakeholders, without compromising the environment and health of society at large. This helps the Company to perform better thus culminating into higher productivity of the corporate resources.

The Corporate Governance philosophy of the Company is not only to adhere to the statutory requirements but also to enhance and retain investors' trust. The Company adheres to the highest ethical standards which are combined with an unwavering commitment to certain core values – transparency, fairness in all dealings, quality consciousness,

customer satisfaction, and ethical governance practices. All directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues.

The Company has complied with the requirements of Corporate Governance as stipulated under the Listing Regulations, as applicable.

#### **2. BOARD OF DIRECTORS**

The Board of Directors ("Board") strongly believes that effective and good Corporate Governance practices build strong foundation of trust and confidence which in turn enhances the stakeholder' value.

The Company has established an internal governance structure with defined roles and responsibilities of every constituent within the system. The Board plays a critical role in overseeing how the management serves the short-term and long-term interests of shareholders and other stakeholders.

The responsibility of the management, good governance, general affairs direction and performance of the Company is entrusted with the Board. All statutory and other matters of significance including information as mentioned in the Part A of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are complied with.

##### **(a) Composition and Category of Directors**

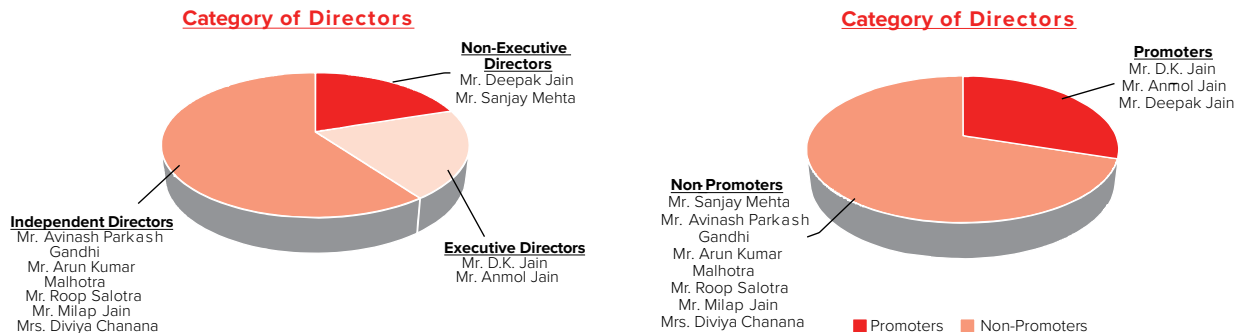
The Board has an optimum combination of Executive Directors, Non-Executive Directors and Independent Directors. The Board consisted of Nine (9) Directors. Out of these Nine (9) Directors, Two (2) Directors are Executive Director(s) including the Chairman, Two (2) Directors are Non- Executive Directors and Five (5) are Non-Executive Independent Director(s) including One (1) Woman Director. The Managing Director is assisted by CEO & Senior Managerial Personnel in overseeing the functional matters of the Company.

## Annexure – B (Contd.)

Above information as on March 31, 2021 is presented as below:

S. No.	Name of Director	Category
<b>A. Promoter</b>		
1	Mr. D.K. Jain	Executive Chairman
2	Mr. Anmol Jain	Managing Director
3	Mr. Deepak Jain	Non-Executive Director
<b>B. Non-Promoter</b>		
4	Mr. Sanjay Mehta	Non-Executive Director
5	Mr. Avinash Parkash Gandhi	Independent Director
6	Mr. Arun Kumar Malhotra	Independent Director
7	Mr. Roop Salotra	Independent Director
8	Mr. Milap Jain	Independent Director
9	Mrs. Diviya Chanana	Independent Director

### Graphical Presentation for Category of Directors



### (b) Attendance of Each Directors at Board Meetings & Last Annual General Meeting (AGM)

During the year the FY 2020-21, the Board of Directors have met Five (5) times as tabulated below:

S. No.	Name of the Director	Board Meetings					AGM
		May 02, 2020	June 17, 2020	August 13, 2020	November 10, 2020	February 12, 2021	August 28, 2020
1	Mr. D.K. Jain	✓	✓	✓	✓	✓	✓
2	Mr. Anmol Jain	✓	✓	✓	✓	✓	✓
3	Mr. Deepak Jain	✓	✓	✓	✓	✓	✓
4	Mr. Sanjay Mehta	✓	✓	✓	✓	✓	✓
5	Mr. Avinash Parkash Gandhi	✓	✓	✓	✓	✓	✓
6	Mr. Arun Kumar Malhotra	✓	✓	✓	✓	✓	✓
7	Mr. Kanchan Kumar Gandhi*	✓	✓	✓	✓	N.A.	✓
8	Mr. Roop Salotra	✓	✓	✓	✓	✓	✓
9	Mr. Milap Jain	✓	✓	✓	✓	✓	✓
10	Mrs. Diviya Chanana	✓	✓	✓	✓	✓	X

✓ Present    X Absent    N.A. Not Applicable

\* Mr. Kanchan Kumar Gandhi has resigned from the directorship of the Company w.e.f February 1, 2021.

## Annexure – B (Contd.)

### (c) Selection and Scheduling of Agenda Items for Board Meetings

- i) The date of next Board Meeting is decided at the time of close of Board Meeting.
- ii) Every year at least four Board Meetings are held to review the quarterly results and additional Board Meetings are held on need basis.
- iii) The Company Secretary of the Company drafts and finalizes the Agenda in consultation with the Chairman of the Company.
- iv) The information placed before the Board includes:
  - General Notices of Interest of Directors.
  - Annual operating plans of business, Capital budgets and any updates.
  - Quarterly results for the Company and its operating divisions or business segments.
  - Dividend Declaration.
  - Minutes of Meetings of Audit Committee and other committees of the Board and resolutions passed by circulation.
  - The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
  - Show cause, demand, prosecution notices and penalty notices which are materially important.
  - Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
  - Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
  - Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
  - Internal Audit findings and Statutory Auditor Reports (through the Audit Committee).
  - Details of any joint venture, acquisition of Companies or collaboration agreement, if any.
  - Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
  - Significant Labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
  - Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.

- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if Material.
- Non-compliance of any regulatory, statutory or listing requirements and Shareholders service such as non-payment of dividend, delay in share transfer (if any) etc.
- Brief on statutory developments, changes in Government policies etc. with impact thereof, Directors' responsibilities arising out of any such developments.

#### (i) Board Agenda

Detailed Agenda and notes on Agenda are provided to the Directors in the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the Meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted.

#### (ii) Recording Minutes of proceedings at Board Meetings

The Company Secretary records the Minutes of the proceedings of each Board and Committee Meeting. Draft minutes are circulated to all the members of the Board/Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from conclusion of the Meeting.

#### (iii) Post Meeting Follow-up Mechanism

The Guidelines for Board Meetings facilitate an effective post Meeting follow-up, review and reporting process for the decisions taken by the Board. The important decisions taken at the Board Meetings are communicated to the departments / divisions concerned promptly. Action taken report on the decisions/minutes of the previous Meeting(s) is placed at the immediately succeeding Meeting of the Board for noting by the Board.

#### (iv) Role of the Company Secretary in Overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. He ensures that all relevant information, details and documents are made available to the Board and Senior Management for effective decision making. The Company Secretary while preparing the Agenda, Notes on Agenda, Minutes etc. of the Meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the Rules framed there under and the Secretarial Standards implemented by The Institute of Company Secretaries of India.

## Annexure – B (Contd.)

**(d) Number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies for the year ending on March 31, 2021 (Including the Name of the Listed Entities and the Category of Directorship)**

S. No.	Name of the Directors	DIN	Category (Chairperson/ Executive/ Non- Executive/ Independent/ Nominee)	No. of directorship in listed entities including this listed entity	No. of Independent directorship in listed entities including this listed entity	No. of membership in Audit/ Stakeholder committee(s) including this listed entity <sup>#</sup>	No. of post of Chairperson in in Audit/ Stakeholder committee(s) including this listed entity	Name of other listed entity and Category of Directorship
1	Mr. D.K. Jain	00085848	Executive Director	1	0	1	0	-
2	Mr. Anmol Jain	00004993	Executive Director	2	0	1	0	• Lumax Industries Limited (Joint Managing Director)
3	Mr. Deepak Jain	00004972	Non- Executive - Non Independent Director	3	1	3	1	• Lumax Industries Limited (Chairman & Managing Director) • RSWM Limited (Independent Director)
4	Mr. Sanjay Mehta	06434661	Non- Executive - Non Independent Director	1	0	0	0	-
5	Mr. Avinash Parkash Gandhi	00161107	Non- Executive - Independent Director	5	5	10	2	• Lumax Industries Limited (Independent Director) • Schaeffler India Limited (Independent Director) • Minda Corporation Limited (Independent Director) • Action Construction Equipment Limited (Independent Director)
6	Mr. Roop Salotra	06650145	Non- Executive - Independent Director	1	1	2	0	-
7	Mr. Milap Jain	06738071	Non- Executive - Independent Director	1	1	1	0	-
8	Mrs. Diviya Chanana	00737160	Non- Executive - Independent Director	1	1	0	0	-
9	Mr. Arun Kumar Malhotra	00132951	Non- Executive - Independent Director	1	1	2	1	-

<sup>#</sup> As required under Regulation 26 of Listing Regulations, the disclosure includes chairmanships/ memberships of the Audit Committee and Share Transfer/ Stakeholder Relationship Committee.



## Annexure – B (Contd.)

### (e) Number of Board Meetings held and the dates on which held

The Board of Directors met Five (5) times during the Financial Year ended March 31, 2021. The intervening period between two Board Meetings was within the maximum time gap of 120 days, as prescribed under Listing Regulations. The details of Board Meetings held during the year are as under:-

S. No.	Date of Board Meeting	Board's Strength	Number of Directors Present
1	May 02, 2020	10	10
2	June 17, 2020	10	10
3	August 13, 2020	10	10
4	November 10, 2020	10	10
5	February 12, 2021	9	9

### (f) Disclosure of relationships between Directors inter-se

S. No.	Name of the Directors	Relationship Inter-se
1	Mr. D.K. Jain	Related as Father to Mr. Deepak Jain and Mr. Anmol Jain
2	Mr. Anmol Jain	Related as Son to Mr. D.K. Jain and Brother to Mr. Deepak Jain
3	Mr. Deepak Jain	Related as Son to Mr. D.K. Jain and Brother to Mr. Anmol Jain
4	Mr. Sanjay Mehta	Not related to any Director
5	Mr. Avinash Parkash Gandhi	Not related to any Director
6	Mr. Arun Kumar Malhotra	Not related to any Director
7	Mr. Roop Salotra	Not related to any Director
8	Mr. Milap Jain	Not related to any Director
9	Mrs. Diviya Chanana	Not related to any Director

### (g) Number of Shares and Convertible instruments held by Non-Executive Directors as on March 31, 2021

S. No.	Name of the Directors	Number of Shares
1	Mr. Deepak Jain	1,29,21,047
2	Mr. Sanjay Mehta	1,525

### (h) Separate Meeting of Independent Director

Provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations has mandated that the Independent Directors of the Company shall hold at least one meeting during the financial year without the attendance of Non-Independent Directors.

The Separate Meeting of the Independent Directors was held on February 25, 2021 to discuss and review the performance of Non-Independent Directors and the Board as a whole, performance evaluation of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and the evaluation of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

### (i) Web link where details of Familiarization Programmes imparted to Independent Directors is disclosed

In accordance with provisions of Regulation 25 of Listing Regulations, the Board has adopted a Familiarization Programme for Independent Directors to familiarize the Independent Directors of the Company with the organization.

In pursuit of this, the Board of Directors of the Company are updated on changes/ developments in the domestic/ global corporate and industry scenario including those pertaining to statutes/ legislations & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.

Any Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the

## Annexure – B (Contd.)

important policies of the Company including the Code of Conduct for Directors and Code of Conduct for Prevention of Insider Trading, Policy of the Company. The Independent Directors are also provided with regular updates on relevant statutory changes to ensure that they remain up to date on the Compliance framework.

The details of the Familiarization Programme imparted to Independent Directors is also made available on the website of the Company at <http://www.lumaxworld.in/lumaxautotech/downloads/familiarisation-program.pdf>

### (j) Skills/ Expertise/ Competence of the Board of Directors

The Board comprises qualified members who brings in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board Members follows and committed that the Company is in compliance with the highest standards of the Corporate Governance.

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

<b>Industry Knowledge</b>	Understanding of industry and organizations involved in design, development, manufacturing, marketing and selling of automobiles and auto components
<b>Finance &amp; Accounting</b>	Understanding of Financial Statements, transactions, financial process and financial controls and management of assets and liabilities
<b>Understanding of Government legislation/ legislative process</b>	Awareness of general framework of principles within which the Government is expected to act and within which regulations are issued
<b>Corporate Laws and Governance</b>	Ability to understand and interpret the corporate laws, rules and regulations by which businesses are regulated and controlled
<b>Risk Management</b>	Ability to identify, evaluate and prioritize risks followed by coordinated and economical application of resources to minimize, monitor and control the probability or impact of unforeseen events or to maximize the realization of opportunities
<b>Sales and Marketing</b>	Building effective sales and marketing strategies to grow market share and experience of operations and activities in global front across various geographical markets and industry verticals
<b>Human Resource Management</b>	Understands and is familiar with human resource legislation and issues. Experience in the field of performance evaluation and skill set development (For Directors and Senior Management)
<b>Information Technology</b>	Ability to understand and appreciate the importance and robust use of Information technology in various aspects of business
<b>Strategy Development and Implementation</b>	Experience in developing corporate strategies for growth, operates or has relevant industry experience in operating businesses
<b>Stakeholder Relationships</b>	Experience in building and nurturing relationships with key stakeholders viz. shareholders, customers, employees, bankers, government/ semi-government authorities and fulfilment of commitment towards them
<b>Production and Quality Assurance</b>	Familiar with products and services of the Company and understands quality issues of products/services

The Board has identified the names of Directors who possess the skills/ expertise/ competence as required in the context of the business(es) and sector(s) in which the Company performs its functions effectively in form of chart/ matrix:

## Annexure – B (Contd.)

### Matrix setting out the Skills/ Expertise/ Competence of the Board of Directors

Directors	Mr. D.K. Jain	Mr. Anmol Jain	Mr. Deepak Jain	Mr. Sanjay Mehta	Mr. Avinash Parkash Gandhi	Mr. Arun Kumar Malhotra	Mr. Roop Salotra	Mr. Milap Jain	Mrs. Diviya Chanana
Industry Knowledge	✓	✓	✓	✓	✓	✓	✓	X	✓
Finance & Accounting	✓	✓	✓	✓	✓	✓	✓	✓	✓
Understanding of Government legislation/ legislative process	✓	✓	✓	✓	✓	✓	✓	✓	X
Corporate Laws and Governance	✓	✓	✓	✓	✓	✓	✓	✓	X
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	X
Sales and Marketing	✓	✓	✓	✓	✓	✓	✓	X	✓
Human Resource Management	✓	✓	✓	✓	✓	✓	✓	✓	✓
Information Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategy Development and Implementation	✓	✓	✓	✓	✓	✓	✓	X	X
Stakeholder Relationships	✓	✓	✓	✓	✓	✓	✓	✓	X
Production and Quality Assurance	✓	✓	✓	X	✓	✓	X	X	✓
								<b>Yes</b>	✓
								<b>No</b>	X

**(k) Confirmation that in opinion of the Board, the Independent Directors fulfil the conditions specified in Listing regulations and are independent from the Management**

Based on the declarations/disclosures/intimations received from the Independent Directors, as prescribed under Companies Act, 2013 and Listing Regulations, the Board confirms that in their opinion, the Independent Directors fulfill the conditions of independence as specified in Listing Regulations and are independent from the management of the Company.

**(l) Detailed reasons for Resignation of Independent Directors who resigns before the expiry of his tenure along with a confirmation by such Director that there are no other material reasons other than those provided**

During the year under review, Mr. Kanchan Kumar Gandhi, Independent Director resigned before expiry of tenure due to personal reasons. Mr. Kanchan Kumar Gandhi mentioned in his resignation that there are no material reasons for his resignation other than personal reasons.

### 3. COMMITTEES OF THE BOARD

The Board has constituted Four (4) Committees i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Share Transfer/ Stakeholder Relationship Committee. Every Committee has an important role to play within terms of its reference. The Committee Meetings are duly convened and held as considered appropriate from time to time. The process and procedure related to the Board Meetings are also applicable and followed in the Committee Meetings. The Committees Chairperson provides a brief committee update during the Board Meetings.

#### A. Audit Committee

The Company has duly constituted Audit Committee as per Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, with the powers and roles in accordance with the prevailing regulatory requirements. The Committee acts as a link amongst the Management, Auditors and the Board. The Company Secretary of the Company acts as Secretary to the Audit Committee.

## Annexure – B (Contd.)

### i) Brief Description of terms of reference

The Terms of reference of the Audit Committee includes matters specified in the Companies Act, 2013 and Listing Regulations and those specified by the Board in writing.

The role of Audit Committee as mentioned in Part C of Schedule II of Listing Regulations is as follows:

- (i) to oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
- (ii) to recommend the appointment, remuneration and terms of appointment of Statutory Auditors;
- (iii) approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - matters required to be included in the Director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- (v) reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
- (vi) reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) evaluation of internal financial controls and risk management systems;
- (xii) reviewing, with the management, performance of Statutory and Internal auditors, adequacy of the internal control systems;
- (xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
- (xiv) discussion with internal auditors of any significant findings and follow up there on;
- (xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) to review the functioning of the whistle blower mechanism;
- (xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xx) carrying out any other function as is mentioned in the terms of reference of the audit committee;
- (xxi) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;
- (xxii) to consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders.

## Annexure – B (Contd.)

In addition, the Audit Committee shall mandatorily review the following information:

- (i) management discussion and analysis of financial condition and results of operations;
- (ii) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (iii) management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- (iv) internal audit reports relating to internal control weaknesses;
- (v) the appointment, removal and terms of remuneration of the internal auditor;
- (vi) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- (vii) Any other matter with the specific permission of the Committee or referred by the Board.

### ii) Composition, Name of Members and Chairperson

The Audit Committee comprises of Four (4) Non-Executive Independent Directors and Managing Director. The Composition of the Audit Committee as on March 31, 2021 was as follows:

S. No.	Name	Status	Category of Membership
1	Mr. Arun Kumar Malhotra	Chairman	Non-Executive Independent Director
2	Mr. Roop Salotra	Member	Non-Executive Independent Director
3	Mr. Avinash Parkash Gandhi	Member	Non-Executive Independent Director
4	Mr. Milap Jain	Member	Non-Executive Independent Director
5	Mr. Anmol Jain	Member	Managing Director

### iii) Meetings and attendance

During the FY 2020-21 Five (5) Audit Committee Meetings were held and the details of the Meetings are as follows:

S. No.	Name of the Director	Details of Audit Committee Meetings					Number of Meetings Attended
		June 17, 2020	August 13, 2020	November 10, 2020	February 12, 2021	February 25, 2021	
1	Mr. Arun Kumar Malhotra	✓	✓	✓	✓	✓	5
2	Mr. Avinash Parkash Gandhi	✓	X	✓	✓	✓	4
3	Mr. Anmol Jain	✓	✓	✓	✓	X	4
4	Mr. Roop Salotra	✓	✓	✓	✓	✓	5
5	Mr. Milap Jain	✓	✓	✓	✓	✓	5

✓ Present X Absent

The meeting with Internal Auditors of the Company are held and the findings of internal audits are reported directly to the Audit Committee. The Statutory Auditors, Finance Head are invitees to the Audit Committee Meetings as and when required. The Company Secretary acts as the Secretary to the Audit Committee.

### iv) Subsidiary Company

Lumax Mannoh Allied Technologies Limited (LMAT) is a material non-listed Subsidiary Company in terms of Regulation 16(1) (c) of Listing Regulations. Further, as per Regulation 24 of the Listing Regulations, Mr. Avinash Parkash Gandhi and Mr. Roop Salotra, Directors of the Company are also on the Board of LMAT.

The Company monitors performance of LMAT, inter alia, by the following means:

- a) Financial Statements, in particular the investments made by LMAT are reviewed quarterly by the Audit Committee of the Company.
- b) Minutes of the Meetings of the Board of Directors of LMAT are placed before the Company's Board regularly.
- c) A statement containing all the significant transactions and arrangements entered into by LMAT is placed before the Company's Board / Audit Committee.

## Annexure – B (Contd.)

The Company has formulated a policy for determining 'Material' subsidiaries and such policy has been disclosed on the Company's website [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and the web link of the same is <https://www.lumaxworld.in/lumaxautotech/downloads/Material%20Subsidiary%20Policy-%20LATL.pdf>

### B. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

#### i) Brief Description of Terms of Reference

The brief description of the terms of reference of the Committee are given below:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
7. Any other matters as may be prescribed by Board from time to time.

#### ii) Composition, Name of Members and Chairperson

The Nomination and Remuneration Committee (NRC) comprises of Four (4) Members, all being Non- Executive Directors and half of them are Independent Directors. The Chairman of the Committee is a Non- Executive Independent Director.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The Composition of the Nomination and Remuneration Committee as on March 31, 2021 was as under:

S. No.	Name of Directors	Status	Category of Membership
1	Mr. Milap Jain	Chairman	Non-Executive Independent Director
2	Mr. Roop Salotra	Member	Non-Executive Independent Director
3	Mr. Deepak Jain	Member	Non-Executive Director
4	Mr. Sanjay Mehta	Member	Non-Executive Director

#### iii) Meetings and Attendance

During the Financial Year under review, the Committee has met Four (4) times and the Attendance Record of Directors of the Committee for the Financial Year are tabulated below:

S. No.	Name of the Directors	Details of Nomination and Remuneration Committee Meetings				Number of Meetings Attended
		May 2, 2020	June 17, 2020	November 10, 2020	February 12, 2021	
1	Mr. Milap Jain	✓	✓	✓	✓	4
2	Mr. Roop Salotra	✓	✓	✓	✓	4
3	Mr. Deepak Jain	✓	✓	✓	✓	4
4	Mr. Sanjay Mehta	✓	✓	✓	✓	4

✓ Present X Absent

## Annexure – B (Contd.)

### iv) Performance Evaluation Criteria for Independent Directors

One of the key responsibilities endowed on Board and Nomination and Remuneration Committee is to ensure continuity of a dynamic and forward-thinking Board and Committees of Board. In order to achieve the same, a formal annual evaluation of Board, Committees and Individual Directors (including Independent Directors) as per the provisions of Companies Act, 2013 and Listing Regulations was carried out with a view to ensure that individual Directors and the Board as a whole work efficiently and effectively in achieving Company's objectives.

The overall responsibility of the said exercise laid with Nomination and Remuneration Committee.

The Independent Directors were evaluated on various performance indicators including aspects relating to:

- Ethical Standards of Integrity and probity.
- Exercises objective independent judgement in the best interests of the Company.
- Effectively assisted the Company in implementing best Corporate Governance Practices.
- Willingness to devote time and effort to understand the Company and its business.
- Adherence to applicable code of conduct and fulfillment of Director's obligations.
- Independent judgement during Board deliberations on strategy, performance etc.
- Maintaining high level of Confidentiality.
- Interpersonal relationships with fellow Board Members and Senior Management.

### C. Share Transfer/Stakeholders Relationship Committee

In line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations, the Company has constituted a Share Transfer/Stakeholder Relationship Committee to oversee Investor's grievances and redressal mechanism and recommend measures to improve the level of Investors' services and to look into and decide matters pertaining to share transfers, duplicate share certificates and related matters.

#### i. Composition:

The Composition of Share Transfer/ Stakeholder Relationship Committee as on March 31, 2021 was as under:

S. No.	Name of Directors	Status	Category of Membership
1	Mr. Deepak Jain	Chairman	Non-Executive Director
2	Mr. D.K. Jain	Member	Executive Chairman
3	Mr. Arun Kumar Malhotra	Member	Non-Executive Independent Director

During the year, Mr. Kanchan Kumar Gandhi, Non-Executive Independent Director, ceased to be Member of the Committee w.e.f February 1, 2021 subsequent to his resignation from the Directorship of the Company.

#### ii. Name of Non-Executive Director heading the Committee:

Mr. Deepak Jain, Non- Executive Director.

#### iii. Name and Designation of Compliance Officer:

Mr. Anil Tyagi, Company Secretary.

#### iv. Terms of Reference

The terms of reference of Share Transfer/Shareholder Relationship Committee are as follows:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared Dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed Dividends and ensuring timely receipt of Dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

## Annexure – B (Contd.)

### v. SEBI Complaints Redress System (SCORES)

The Investors can also raise complaints in a centralized web-based complaints redress system called “Scores”. The Company uploads the action taken report on the complaints raised by the Shareholders on “Scores”, which can be viewed by the Shareholder. The complaints are closed to the satisfaction of the shareholders and SEBI.

### vi. Status of Investor Complaints received, pending and resolved during the FY 2020-21

S. No.	Particulars	Status
1	Number of Complaints Received	1
2	Number of Complaints Resolved	1
3	Number of Complaints Pending	Nil

### vii. Meetings and Attendance

During the Financial Year under review, the Committee has met Four (4) times and the details of meetings held and attendances of Directors in those meetings are tabulated as follows:

S. No.	Name of the Directors	Details of Share Transfer/Stakeholders Relationship Committee				Number of Meetings Attended
		June 17, 2020	August 13, 2020	November 10, 2020	February 12, 2021	
1	Mr. Deepak Jain	✓	✓	✓	✓	4
2	Mr. D.K. Jain	X	✓	✓	✓	3
3	Mr. Arun Kumar Malhotra	✓	✓	✓	✓	4
4	Mr. Kanchan Kumar Gandhi*	✓	✓	✓	N.A.	3

✓ Present      X Absent      N.A. Not applicable

\*Mr. Kanchan Kumar Gandhi, ceased to be the Member of the Committee w.e.f February 1, 2021.

### D. Corporate Social Responsibility Committee (CSR)

The CSR Committee of the Board has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The roles of committee includes:

- to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- to recommend the amount of expenditure to be incurred on such activities.
- to monitor the Corporate Social Responsibility Policy of the Company from time to time.

### i. Composition

The Committee comprises of Three (3) Directors including One Independent Directors which is as follows:

S. No.	Name of Directors	Status	Category of Membership
1	Mr. Roop Salotra	Chairman	Non-Executive Independent Director
2	Mr. D.K. Jain	Member	Executive Chairman
3	Mr. Deepak Jain	Member	Non-Executive Director

### ii. Meetings and Attendance

During the FY 2020-21, One (1) Corporate Social Responsibility Committee Meeting was held. The attendance record of Committee Members is as follows:

S. No.	Name of the Directors	Details of Corporate Social Responsibility Committee Meetings	Number of Meetings Attended
		June 17, 2020	
1	Mr. Roop Salotra	✓	1
2	Mr. D.K. Jain	✓	1
3	Mr. Deepak Jain	✓	1

✓ Present x Absent



## Annexure – B (Contd.)

### 4. REMUNERATION OF DIRECTORS

#### A. All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors and Independent Directors during the FY 2020-21 except for the Commission and Sitting Fees payable to them respectively as approved by the Board and Committees of Directors from time to time.

#### B. Criteria of making payments to Non-Executive Directors:

The Criteria of making payments to Non-Executive Directors has been given on the Company's Website i.e. [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech).

While deciding the payments to be made to Non-Executive Directors various factors such as Director's participation in Board and Committee meeting during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, etc. were taken into consideration.

The Non-Executive Directors are entitled to sitting fees for attending meetings of the Board or Committees thereof as may be decided by the Board from time to time. Provided that the amount of such fees shall not exceed ₹ 1 Lakh per Meeting of the Board or Committee.

Apart from sitting fees and commission referred to above and reimbursement of traveling expenses for attending the Board and Committee meetings, no payment by way of bonus, pension, incentives etc. is paid to any of the Non- Executive Directors.

#### C. Details of Remuneration to Directors:

##### 1. Remuneration paid to Executive Directors for the FY 2020-21 :

The details of remuneration paid to Executive Directors during the Financial Year ended March 31, 2021 are as follows:

(₹ in Lakhs)

S. No.	Name of the Directors	Designation	Salary*	Perquisites & Allowances	Statutory and other contribution	Commission	Total
1	Mr. D.K. Jain	Executive Chairman	63.00	28.89	7.20	106.83	205.92
2	Mr. Anmol Jain	Managing Director	63.00	16.93	-	114.10	194.03

\* on account of Covid 19 pandemic, both Mr. D.K. Jain and Mr. Anmol Jain relinquished 100 % of their fixed basic salary for the first half of the FY 2020-21.

##### 2. Remuneration paid to Non-Executive Directors for the FY 2020-21:

(₹ in Lakhs)

S. No.	Name of the Directors	Designation	Commission	Sitting Fees*
1	Mr. Deepak Jain	Non – Executive Director	56.77	-
2	Mr. Sanjay Mehta	Non – Executive Director	-	-
3	Mr. Avinash Parkash Gandhi	Non – Executive Independent Director	-	2.20
4	Mr. Arun Kumar Malhotra	Non – Executive Independent Director	-	3.00
5	Mr. Roop Salotra	Non – Executive Independent Director	-	2.80
6	Mr. Kanchan Kumar Gandhi	Non – Executive Independent Director	-	1.20
7	Mr. Milap Jain	Non – Executive Independent Director	-	2.80
8	Mrs. Diviya Chanana	Non – Executive Independent Director	-	1.60

\* It includes the sitting fees paid to Directors for attending the Board and Committee Meetings.

#### D. Service Contracts, Notice Periods, Severance Fees

The service contracts, notice period and severance fees are not applicable to Executive Directors, Non-Executive or Independent Directors. The term and tenure of appointment of all the Directors are governed through Board Resolutions which are subject to Shareholders Approval in the Annual General Meetings of the Company.

#### E. Stock Options Details, if any:

No Stock Options have been granted to any Directors during the FY 2020-21.

#### F. There are no Security/Instruments of the Company pending for conversion into Equity Shares.

## Annexure – B (Contd.)

### 5. GENERAL BODY MEETINGS

#### A. The details of Annual General Meeting (AGMs) held in the last three years are as follows:

Financial Year	Date	Time	Location
2017-18	August 21, 2018	03:00 P.M.	Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune – 411 018, Maharashtra
2018-19	August 23, 2019	03:00 P.M.	Air Force Auditorium, Subroto Park, New Delhi-110010
2019-20	August 28, 2020	03.00 P.M.	2 <sup>nd</sup> Floor, Harbans Bhawan -II, Commercial Complex, Nangal Raya, New Delhi -110046 (through Video Conferencing)

#### B. Details of Special Resolutions passed in previous three Annual General Meetings (AGM):

##### I. AGM held on August 21, 2018

- Re-appointment of Mr. D.K. Jain as an Executive Chairman of the Company for a period of 5 years.

##### II. AGM held on August 23, 2019

- No Special resolution was passed.

##### III. AGM held in August 28, 2020

- Approval of the proposal for the continuation of directorship of Mr. Kanchan Kumar Gandhi (DIN: 08165876), Non-Executive and Independent Director for the present term.
- Approval of Remuneration being paid to Mr. Deepak Jain (DIN: 00004972), Non-Executive Director of the Company.
- Approval of the fees or compensation payable to Executive Director - Mr. D. K. Jain, Chairman (DIN: 00085848).
- Approval of the fees or compensation payable to Executive Director - Mr. Anmol Jain, Managing Director (DIN: 00004993).

#### C. Special Resolution passed last year through Postal Ballot:

The details of Special Resolution passed last year through Postal Ballot:

##### I. Date of Notice of Postal Ballot: November 10, 2020

Voting Period: December 15, 2020 to January 13, 2021

Date of Approval: January 13, 2021

Date of Declaration of Results: January 15, 2021

A summary of the voting pattern is as follows:

##### Item No. 1: Approval of Remuneration being paid to Mr. Deepak Jain (DIN: 0004972), Non-Executive Director

Number of Votes Polled	Number of Votes in favour	Number of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
1,37,24,408	1,34,29,908	2,94,500	97.8542	2.1458

#### D. Person who conducted the Postal Ballot exercises:

Mr. Surinder Vashishtha, Practicing Company Secretary, (ACS No.: 21285) was appointed as the Scrutinizer for conducting the Postal Ballot/ remote e-voting process in accordance with the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 in a fair and transparent manner.

#### E. Special Resolution proposed to be conducted through Postal Ballot:

There is no Special Resolution proposed through Postal Ballot.

#### F. Procedure of Postal Ballot:

In Compliance with the provisions of Section 110 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company completed the dispatch of Postal Ballot Notice on December 14, 2020 along with the Postal Ballot Forms and self-addressed postage pre-paid Business Reply Envelopes to the Shareholders whose names appeared in the register of shareholders/list of beneficiaries as on cut-off date i.e. December 04, 2020. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

## Annexure – B (Contd.)

The Company also provided the facility of remote e-voting to the Shareholders to cast their votes electronically, in accordance with Section 108 of the Act and Rule 20 of the Rules, and Regulation 44 of the Listing Regulations. The Company engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing remote e-voting facility. The Shareholders had the option to vote either by physical ballot or e-voting.

The Scrutinizer submitted his report on January 15, 2021, in the absence of the Chairman, to Mr. Anil Tyagi, Company Secretary after completion of the scrutiny and the results of the voting by means of Postal Ballot (including voting through electronic means) were announced on January 15, 2021 at the Registered Office of the Company. The said results of postal ballot/e-voting were placed on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech), besides being communicated to Stock Exchanges, Depository and its Registrar and Share Transfer Agent.

For further details on the above the Shareholders may visit <http://www.lumaxworld.in/lumaxautotech/postal-ballot.html>.

### 6. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board Members and Senior Employees of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct on annual basis. The Annual Report contains a declaration to this effect signed by the Chief Executive Officer of the Company. The Code of Conduct is also available on the website of Company under the web link <https://www.lumaxworld.in/lumaxautotech/corporategovernance.html>.

### 7. MEANS OF COMMUNICATION

In compliance with Regulation 46 of the Listing Regulations, the Company's website, <https://www.lumaxworld.in/lumaxautotech> contains a dedicated functional segment, named 'INVESTORS' where all the information meant for the Shareholders is available, including information on Directors, shareholding pattern, quarterly reports, financial results, annual reports, press releases, details of unpaid/unclaimed Dividends and various policies of the Company.

#### A. Financial Results (quarterly/half-yearly/annual), Newspapers wherein Results are normally published and Website where displayed

- Pursuant to Regulation 33 of Listing Regulations, the Company has regularly furnished within the prescribed timeline the quarterly unaudited as well as annual audited financial results to both the Stock Exchanges i.e. BSE & NSE.
- Results: The Quarterly/Half Yearly/Yearly Results of the Company are published in leading and widely circulated English dailies viz. (1) The Financial Express - All Editions (English) (2) Jansatta – New Delhi Edition (Hindi).
- Website: The Company's results are displayed on the Company's website at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and the websites of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

#### B. Presentations made to Institutional Investors or to the Analysts

Detailed presentations are made to the investors of Company and the same are hosted on the Company's website at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and are disseminated on the Stock Exchanges viz. BSE and NSE.

#### C. Official News Releases/ Conference Calls with Investors

All official news releases, invitations and transcript of the Analyst/ Investor conference call are posted on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) under Investors and disseminated on the Stock Exchanges viz. BSE and NSE.

#### D. Website

The Company's website is a comprehensive reference on Lumax's Management, Vision, Mission, Policies, Corporate Governance, updates and news.

#### E. Stock Exchange

The Company makes timely disclosure of necessary information to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in terms of the Listing Regulations and other rules and regulations issued by the SEBI.

##### **BSE Corporate Compliance & Listing Centre (the Listing Centre)**

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

##### **NSE Electronic Application System (NEAPS)**

The NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, among others are filed electronically on NEAPS.

## Annexure – B (Contd.)

### F. Reminders/Correspondences with Investors

The periodical reminders to Shareholders regarding unclaimed shares/dividend, e-mail registrations, Notice of General Meetings or any other information required to be disseminated under applicable statutes is regularly communicated and dispatched.

### 8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT FORMS PART OF THE DIRECTORS REPORT

### 9. GENERAL SHAREHOLDERS INFORMATION

- A. Annual General Meeting** : The 40<sup>th</sup> Annual General Meeting is scheduled as under  
 Day : Tuesday  
 Date : August 31, 2021  
 Time : 3:00 p.m. (IST)  
 Venue/ Mode: The Company is conducting meeting through Video Conferencing ("VC")/Other Audio Visual Means ('OAVM') pursuant to the MCA Circulars. For details please refer to the Notice of AGM.
- B. Date of Book Closure** : Tuesday, August 24, 2021 to Tuesday, August 31, 2021 (both days inclusive)
- C. Registered Office** : Lumax Auto Technologies Limited  
 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex,  
 Nangal Raya, New Delhi- 110046
- D. Financial Year** : April 1 to March 31

### E. For the FY 2020-21 results were announced on:

Adoption of Quarterly Results Ended	Date
June 30, 2020	August 13, 2020
September 30, 2020	November 10, 2020
December 31, 2020	February 12, 2021
March 31, 2021 (Audited Annual Accounts)*	June 12, 2021

\*Board Meeting held as per relaxation given by SEBI vide its Circular No. SEBI/HO/CFD/CMD1/P/CIR/2021/556 dated April 29, 2021.

### F. Provisional Calendar for FY2021-22

Adoption of Quarterly Results Ended	Tentative Calendar*
June 30, 2021	On or before August 14, 2021
September 30, 2021	On or before November 14, 2021
December 31, 2021	On or before February 14, 2022
March 31, 2022 (Audited Annual Accounts)	On or before May 30, 2022

\*Within 45/60 days of the end of the Quarter/year, as per the Listing Regulations.

### G. Dividend & Dividend Payment Date

Dividend @150% which is ₹ 3/- per equity share of ₹ 2/- has been recommended by the Board in their Meeting held on June 12, 2021 for the FY 2020-21, which is subject to the approval of the Shareholders at the ensuing Annual General Meeting.

For Demat Shareholders and Physical Shareholders who have opted for NECS/ ECS, Dividend Amount of ₹ 3/- per share will be credited directly to their respective bank accounts through NECS/ ECS, wherever such facilities are available, soon after the declaration of dividend in the AGM. For others, Dividend Warrants/Demand Drafts will be posted on or before September 30, 2021 (tentative).

## Annexure – B (Contd.)

### H. Name and Address of Stock Exchange where Company's Equity are listed:

Stock Exchange	Scrip Code
<b>BSE Limited (BSE)</b> Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	532796
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 The ISIN of the Company is INE872H01027.	LUMAXTECH

### I. Listing Fees

The Listing Fees for the FY 2020-21 has been paid to both BSE Limited and National Stock Exchange of India Limited within the prescribed time limits.

### J. Market price data – High and Low during each month in last Financial Year :

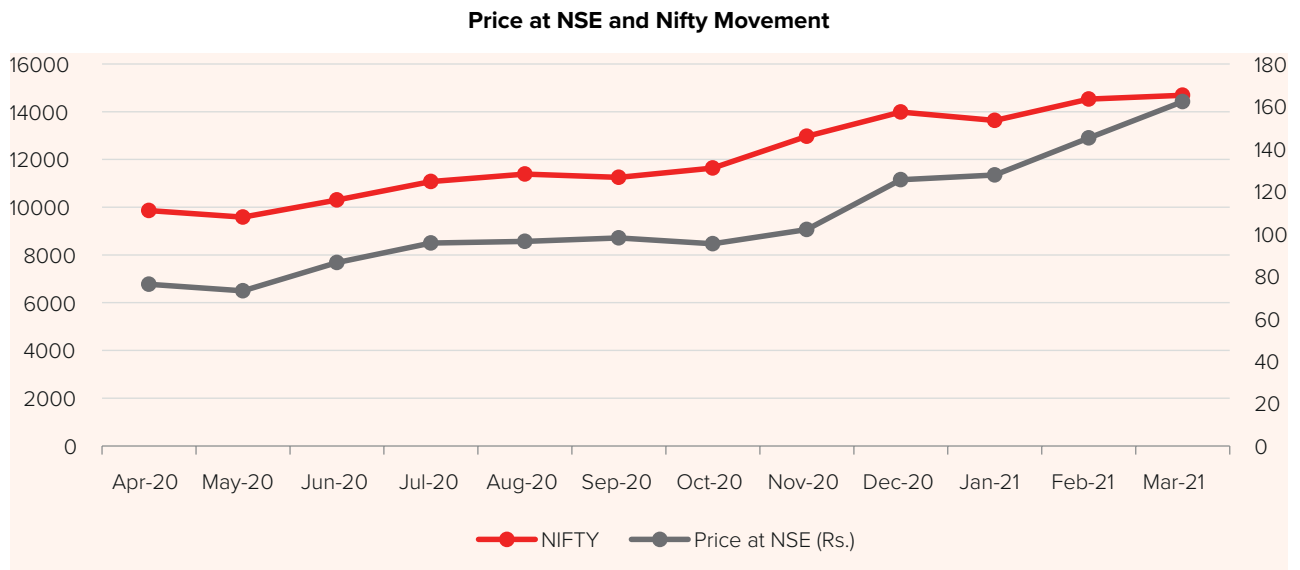
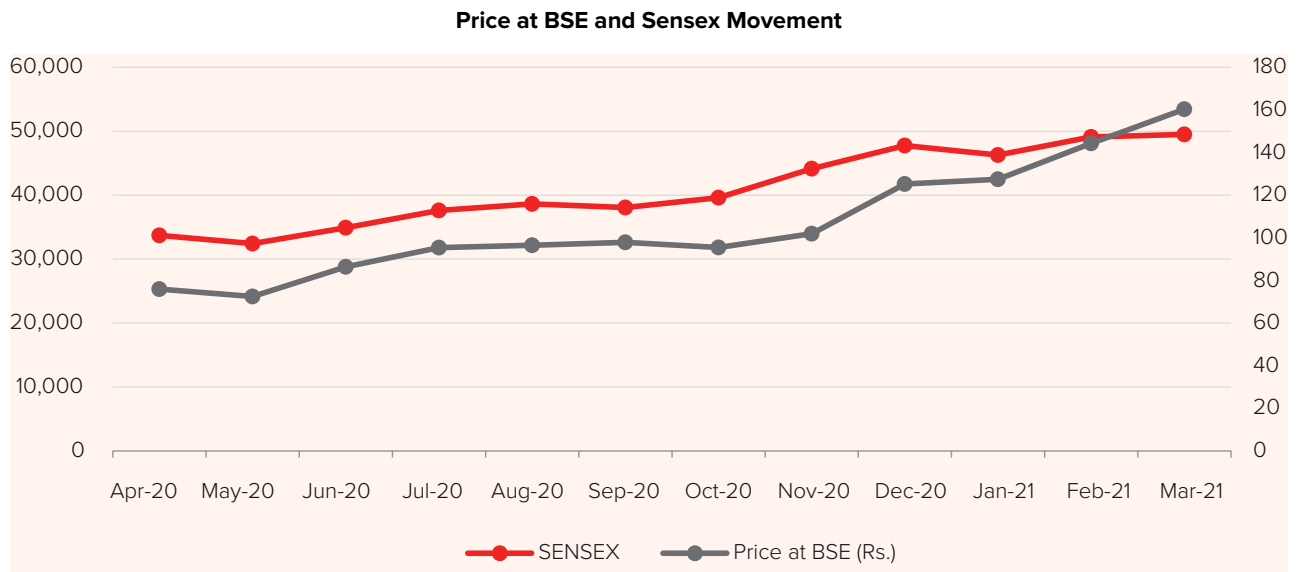
The monthly High and Low Prices of the Shares of the Company Listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

Month	BSE		NSE	
	Share Price		Share Price	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2020	87.20	48.30	86.40	48.05
May, 2020	77.00	63.10	77.80	63.10
June, 2020	93.00	67.55	93.00	67.85
July, 2020	106.55	82.50	106.80	82.05
August, 2020	115.00	93.25	114.40	92.80
September, 2020	100.40	88.05	101.00	88.00
October, 2020	104.00	90.00	103.00	92.40
November, 2020	109.95	93.05	111.70	93.00
December, 2020	140.00	98.50	138.25	99.95
January, 2021	141.50	121.70	141.50	121.60
February, 2021	158.65	123.70	158.60	123.00
March, 2021	172.45	141.70	172.40	141.50

### K. The details of the Stock Performance vis – a – vis S&P CNX Nifty in graphical manner and Monthly Closing Share Price on BSE & NSE from April 2020 to March 2021 is given below:

MONTH	BSE (₹)	SENSEX	NSE (₹)	NIFTY
April, 2020	75.90	33,717.62	76.20	9,859.90
May, 2020	72.45	32,424.10	73.05	9,580.30
June, 2020	86.35	34,915.80	86.40	10,302.10
July, 2020	95.40	37,606.89	95.65	11,073.45
August, 2020	96.50	38,628.29	96.40	11,387.50
September, 2020	97.90	38,067.93	98.00	11,247.55
October, 2020	95.45	39,614.07	95.30	11,642.40
November, 2020	101.95	44,149.72	101.95	12,968.95
December, 2020	125.25	47,751.33	125.40	13,981.75
January, 2021	127.50	46,285.77	127.70	13,634.60
February, 2021	144.30	49,099.99	145.15	14,529.15
March, 2021	160.35	49,509.15	162.20	14,690.70

## Annexure – B (Contd.)



**L. In case the securities are suspended from trading, the Boards' Report shall explain the reason thereof:**

The trading in the equity shares of the Company was never suspended.

**M. Registrars and Share Transfer Agent (For Physical as well as for Demat Segment)**

Address	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin works building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai-400059.
Tel	+91-22-62638200
Fax	+91-22-62638299
Email	<a href="mailto:vinod.y@bigshareonline.com">vinod.y@bigshareonline.com</a>
Website	<a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

**N. Share Transfer System**

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent. The Company has appointed Bigshare Services Private Limited as the Registrar & Share Transfer Agent.

There were no shares transferred/transmitted during the FY 2020-21.

## Annexure – B (Contd.)

### O. Reconciliation of Share Capital Audit

As stipulated by SEBI, Reconciliation of Share Capital Audit was carried out by the Practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The reports for the same were submitted to BSE and NSE by the Company in every quarter. The audit confirms that the total issued/paid-up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

### P. Distribution of Shareholding as on March 31, 2021

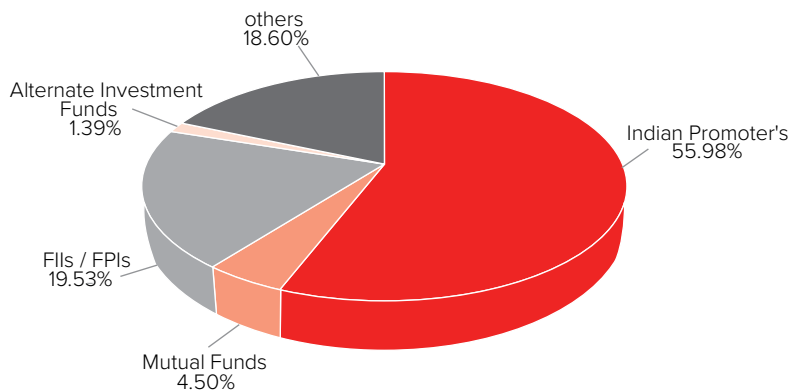
Range of Shares		No. of Shareholders	% of Shareholders	No. of Shares	% of total
1	5,000	17,562	97.93	51,88,403	7.61
5,001	10,000	167	0.93	12,38,643	1.82
10,001	20,000	99	0.55	14,07,408	2.05
20,001	30,000	38	0.21	9,47,610	1.39
30,001	40,000	16	0.09	5,57,529	0.82
40,001	50,000	14	0.08	6,24,805	0.92
50,001	1,00,000	13	0.07	10,20,928	1.50
1,00,001	& above	24	0.14	5,71,72,379	83.89
<b>Total</b>		<b>17,933</b>	<b>100.00</b>	<b>6,81,57,705</b>	<b>100.00</b>

### Q. Shareholding Pattern of the Company as on March 31, 2021

Category		Number of shares held	% age of share-holding
<b>A.</b>	<b>Promoters' holding</b>		
<b>1.</b>	<b>Promoters</b>		
	i Indian Promoters	3,81,54,430	55.98
	ii Foreign Promoters	-	-
<b>2.</b>	<b>Persons acting in concert</b>	-	-
<b>SUB – TOTAL (A)</b>		<b>3,81,54,430</b>	<b>55.98</b>
<b>B.</b>	<b>Non-Promoters Holding</b>		
<b>3.</b>	<b>Institutional Investors</b>		
	i Mutual Funds	30,68,099	4.50
	ii Banks, Financial Institutions, Insurance Companies, Central/State Govt. Institutions/ Non-Government Institutions.	401	0.01
	iii FIs / FPIs	1,33,12,804	19.53
	iv Alternate Investment Funds	9,49,330	1.39
<b>SUB – TOTAL (B3)</b>		<b>1,73,30,634</b>	<b>25.43</b>
<b>4.</b>	<b>Others:-</b>		
	I Bodies Corporate & Clearing Member	12,53,449	1.84
	II Indian Public	9,85,60,92	14.46
	III NRIs	9,20,801	1.35
	IV IEPF	7,240	0.01
	V HUF	6,35,059	0.93
<b>SUB – TOTAL (B4)</b>		<b>1,26,72,641</b>	<b>18.59</b>
<b>SUB – TOTAL (B) [B3 + B4]</b>		<b>3,00,03,275</b>	<b>44.02</b>
<b>GRAND TOTAL (A+B)</b>		<b>6,81,57,705</b>	<b>100.00</b>

## Annexure – B (Contd.)

### GRAPHICAL PRESENTATION OF SHAREHOLDING PATTERN AS ON MARCH 31, 2021



#### R. Dematerialization of Shares and Liquidity

The shares of the Company are available for trading in the Dematerialized Form under both the Depository Systems in India - with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are liquid and are actively traded on Stock Exchanges.

The Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in Dematerialized form.

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (DP).
- Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar & Share Transfer Agents.
- Registrar & Share Transfer Agents will process the DRF and confirm or reject the request to DP.
- Upon confirmation of request, the Shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

#### Status of Dematerialization and Liquidity as on March 31, 2021

##### Dematerialization:

Category	Number of Shares
Shares in Demat mode with NSDL	6,30,67,570
Shares in Demat mode with CDSL	50,90,120
Shares in Physical mode	15
<b>Total</b>	<b>6,81,57,705</b>

##### Liquidity:

The Number of Shares of the Company traded in the Stock Exchanges for the FY 2020-21 is given below:

Particulars	BSE	NSE	Total
Number of Shares Traded	40,25,325	3,04,99,154	3,45,24,479
% of Total Equity	5.90	44.75	50.65



## Annexure – B (Contd.)

### S. Outstanding GDR's/ADR's/Warrants or any convertible Instrument, Conversion Date and Likely impact on Equity

There are no convertible instruments which could result in increasing the equity capital of the Company and the Company has not issued any GDR/ADR/FCCB etc.

### T. Commodity price risk or foreign exchange risk and hedging activities:

In order to manage the Company's Foreign Exchange Exposure, the Company has in place an appropriate mechanism for management of Corporate Foreign Exchange Risk by defining its exposures, measuring them and defining appropriate actions to control this risk. The same is reviewed by the management during the year at appropriate time and placed before Board of Directors. The intent of this mechanism is to minimize the Financial Statement impact of fluctuating Foreign Currency Exchange Rates. During the COVID-19 period, it deliberated across the team to mitigate the forex loss and cope with commodity price risk.

### U. Plant Locations of the Company as on March 31, 2021

The Company has following manufacturing units:

S. No.	Plant Locations
1	Shed No. 1, Plot No. 33/3, D - 2 Block, MIDC, Chinchwad, Pune, Maharashtra
2	W-230-E, 'S' Block, M.I.D.C. Bhosari, Pune, Maharashtra
3	Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra
4	K- 76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
5	B - 14/3, M.I.D.C., Waluj, Industrial Area, Aurangabad, Maharashtra
6	Sy. No. 334, 366 & 367, Bellur Village, Narsapura Hobli, Kolar, Bengaluru, Karnataka
7	Plot No. 164-165, Sector-5, IMT Manesar, Gurugram, Haryana
8	Plot No. 12, Sector- 10, IIE Pantnagar, Distt.- Udham Singh Nagar, Uttarakhand
9	Plot No. 9, 10, 23-25, Gat No. 53, Sahajapur, Aurangabad, Maharashtra
<b>Marketing/ Trading Division</b>	
10	Plot No. 2, Industrial Estate, Udyog Vihar, Phase IV, Gurugram, Haryana
11	Khashra No. 25/12/2,18,23,19, Revenue Estate, Vill. Khawaspur, Jamalpur, Main Pataudi Road, Gurugram, Haryana

### V. Address for Investors Correspondence

All queries of investors regarding the Company's shares in Physical / Demat form may be sent either to the Registrar & Share Transfer Agent or to the Secretarial Department of the Company at the following address:

#### The Registrar and Share Transfer Agent

Address	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin works building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai -400059.
Tel	+91-22-62638200
Fax	+91-22-62638299
Email	<a href="mailto:vinod.y@bigshareonline.com">vinod.y@bigshareonline.com</a>
Website	<a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

#### The Company

Address	Lumax Auto Technologies Limited 2 <sup>nd</sup> Floor, Harbans Bhawan- II, Commercial Complex, Nangal Raya, New Delhi- 110046.
Tel	+91-11-49857832
Email	<a href="mailto:shares@lumaxmail.com">shares@lumaxmail.com</a>
Website	<a href="http://www.lumaxworld.in/lumaxautotech">www.lumaxworld.in/lumaxautotech</a>

## Annexure – B (Contd.)

**W. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:**

During the year under review, the Company had obtained the Credit Ratings from CRISIL which is as follows:

1. Long Term Rating - CRISIL A+/ Stable
2. Commercial Paper - CRISIL A1+

The Company does not have any fixed deposit programme or any scheme or proposal involving mobilization of Funds in India or abroad. There were no revision / changes in the aforesaid ratings issued by CRISIL.

**X. Unclaimed/Unpaid Dividends and Shares:**

Pursuant to the provisions of Section 124 & 125 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Dividend which remains unclaimed/unpaid for a period of Seven (7) years from the date of transfer to unpaid dividend account shall be transferred to Investor Education and Protection Fund (IEPF) Authority. Further, all corresponding shares in respect of above-mentioned shares shall also be transferred to the demat account of IEPF Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form IEPF – 5 after complying with the procedure prescribed under the IEPF Rules.

The Company had sent notices to all Shareholders whose shares were due to be transferred to IEPF and the newspaper advertisement with respect to same was also published. During the FY 2020-21, ₹ 99,978/- of unpaid/ unclaimed dividend and 5 shares were transferred to the IEPF Authority.

Further, the Unclaimed Dividend for the FY 2013-14 shall become transferable to the Investor Education and Protection Fund (IEPF) after the due date i.e. August 27, 2021. The Company has been writing periodical reminders to all the shareholders as a part of sending Notice of the Annual General Meeting, who's Dividends are lying unpaid in the Unpaid Dividend Account. Details of shares/shareholders in respect of which dividend has not been claimed, are provided on the website. The shareholders are requested to verify their records and

claim their unclaimed dividends for the past years, if not claimed.

The Company has appointed Mr. Anil Tyagi as Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company.

**10. OTHER DISCLOSURES:**

**A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

- There were no transaction of significant material nature by Company that have a potential conflict with the interest of Company at large.
- During the FY 2020-21, all the transactions entered into were in the normal course of business and at arms' length basis. The said transactions are reported as the Related Party Transactions in the Annual Accounts.
- However, as per Regulation 23 of Listing Regulations, the Related Party Transactions which fall under the definition of 'Materiality' have been disclosed in the **Annexure - D i.e. Form AOC-2**.

The Audit Committee is briefed with all Related Party Transactions (material & non-material) undertaken by the Company on quarterly basis.

**B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

There has been Fine of ₹ 10,000 imposed on the Company by Stock Exchange for non-compliance of Regulation 44(3) of Listing Regulations on November 6, 2019 which was duly paid.

**C. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee**

Under the Vigil Mechanism, the Company has provided a platform to Directors and employees to raise concerns regarding any irregularity, misconduct or unethical matters/dealings within the Group which have a negative bearing on the organization either financially or otherwise.

The Company has a robust Whistle Blower Policy to enable its Directors and Employees to report to the Management their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's

## Annexure – B (Contd.)

code of conduct or ethics policy. The Company promotes a favourable environment for employees to have an open access to the respective functional Heads, Executive Directors, Chairman and Managing Director, so as to ensure ethical and fair conduct of the business of the Company.

### **D. Details of compliance with mandatory requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company has fully complied with all the mandatory requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Adoption of Non- mandatory Requirements in adherence with Regulation 27 (1) of Listing Regulations:** the Company has voluntarily complied with following non-mandatory requirements:

- (i) During the year under review, there is no Audit qualifications on the Company's Financial Results.  
The Company continues to adopt best practices to ensure regime of Unmodified Opinion.
- (ii) The Internal Auditors have direct access to the Audit Committee and the Internal Auditors presents their Audit Observations to the Audit Committee of Board.

### **E. Web link where policy for determining 'material' subsidiaries is disclosed**

The policy for determining 'material' subsidiaries is disclosed on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and the web link of the same is <https://www.lumaxworld.in/lumaxautotech/policies.html>.

### **F. Web link where policy on dealing with related party transactions is disclosed is disclosed**

The Board approved policy on related party transactions can be accessed on [www.lumaxworld.in/lumaxautotech/pdf/related-party-transaction-policy.pdf](http://www.lumaxworld.in/lumaxautotech/pdf/related-party-transaction-policy.pdf).

### **G. Commodity price risk or foreign exchange risk and hedging activities:**

In order to manage the Company's Foreign Exchange Exposure, the Company has in place an appropriate mechanism for management of Corporate Foreign Exchange Risk by defining its exposures, measuring them and defining appropriate actions to control this risk. The intent of this mechanism is to minimize the Financial Statement impact of fluctuating Foreign Currency Exchange Rates.

### **H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

The Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement during the Financial Year ended March 31, 2021.

### **I. A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board/Ministry of Corporate Affairs or any such statutory authority is enclosed with this report.**

### **J. Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with reasons thereof**

There has been no such incidence where the Board has not accepted the recommendation of any Committees of the Board during the year under review.

## Annexure – B (Contd.)

- K. Details of all the Fees for all the services paid to M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company i.e. LATL and Subsidiaries of the Company namely, Lumax Cornaglia Auto Technologies Private Limited (LCAT) and Lumax Yokowo Technologies Private Limited (LYTL) on a Consolidated basis during the Financial Year ended March 31, 2021**

(₹ in Lakhs)

S. No.	Particulars	Fees Paid			
		LATL	LCAT	LYTL	Total
1	Statutory Audit	30.75	3.50	4.00	38.25
2	Limited Review	9.00	-	-	9.00
3	Tax Audit	1.75	-	-	1.75
4	Out of Pocket Expenses	1.65	-	0.11	1.76
5	Other Services	0.50	0.50	-	1.00
	<b>Total</b>	<b>43.65</b>	<b>4.00</b>	<b>4.11</b>	<b>51.76</b>

- L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

S. No.	Particulars	Number of Complaints
1	Number of Complaints filed during the Financial Year	NIL
2	Number of Complaints disposed off during the Financial Year	NIL
3	Number of Complaints pending as on end of the Financial Year	NIL

- 11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:**

The Company is fully compliant with all the requirements of Corporate Governance Report as stated in sub paras (2) to (10) of Schedule V of Listing Regulations.

- 12. DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED**

- (i) **The Board:** The Chairman of the Company is of Executive category, hence the requirement of maintaining a Chairman's office at the Company's expense and reimbursement of expenses incurred in performance of his duties does not apply.
- (ii) **Shareholder Rights:** Quarterly Financial Statements are published in newspapers and uploaded on Company's website to be accessible by Shareholders.
- (iii) **Modified opinion(s) in audit report:** During the year under review, there is no Audit qualifications on the Company's Financial Results. The Company continues to adopt best practices to ensure regime of Unmodified Opinion.
- (iv) **Reporting of Internal Auditor:** M/s Deloitte Touche Tohmatsu India LLP are the Internal Auditors of the Company. The Internal Auditors have direct access to the Audit Committee and separate meeting of Audit Committee are held wherein Internal Auditors presents their Audit Observations to the Audit Committee of the Board.

- 13. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46**

The Company has complied with all the requirements of Corporate Governance as follows:

- Regulations 17 to 20 and 22 to 27;
- Clauses (b) to (i) of sub-regulation (2) of Regulation 46; and
- Para C, D and E of Schedule V

## Annexure – B (Contd.)

### 14. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has a Code of Conduct for its Board and Senior Employees as per Listing Regulations and the same is available at the Company's website. The Company has obtained a compliance certificate from all concerned.

A declaration to that effect, signed by the Chief Executive Officer is attached and forms part of this Report.

The Company has formulated a Code of Conduct for prevention of Insider Trading in the Shares of the Company in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

### 15. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance forms an integral part of this Report.

### 16. CEO AND CFO CERTIFICATE

The Chief Executive Officer and the Chief Financial Officer have furnished the requisite certificate to the Board of Directors pursuant to Regulation 17(8) of the Listing Regulations which forms part of this Report.

### 17. UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the Company reports the following details in respect of the equity shares lying in the suspense account:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and outstanding shares at the beginning of the year i.e. as on April 1, 2020	-	-
Number of shareholders who approached for issue/transfer of Shares during the FY 2020-21	-	-
Number of shareholders to whom shares were issued/ transferred	-	-
Transfer to IEPF	-	-
Aggregate number of shareholders and the Outstanding shares lying at the end of the year i.e. March 31, 2021	-	-

### 18. IMPORTANT INFORMATION FOR SHAREHOLDERS

#### A. Nomination Facility

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Amendment Rules, 2015 are requested to submit to the Company nomination in the prescribed Form SH-13 for this purpose.

#### B. Updation of Shareholders Information

Shareholders holding shares in physical form are requested to notify the changes to the Company/ its RTA, promptly by a written and duly signed request and Shareholders holding shares in electronic form are requested to send their instructions directly to their Depository Participants (DPs).

#### C. Mandatory Requirement for Dematerialization of Shares

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, the requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the Dematerialized Form with the depositories. Therefore, the Shareholders are requested to immediately take action to dematerialize their Equity Shares of the Company.

## Annexure – B (Contd.)

### D. Permanent Account Number (PAN)

Attention is drawn that the Shareholders holding shares in the physical form are mandatorily required to furnish copy of PAN Card in the following cases:

- i) Legal heirs' / Nominees' PAN Cards for transmission of shares,
- ii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
- iii) Joint holders' PAN Cards for transposition of shares

### E. Mandatory transfer/transmission/transposition of shares in dematerialized mode

Pursuant to amended Regulation 40 of Listing Regulations, transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository with effect from April 1, 2019. Any investor who is desirous of transferring shares (which are held in physical form) after April 1, 2019 can do so only after the shares are dematerialized. However, the said amendment is not applicable for transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. re-arrangement / interchanging of the order of name of shareholders) cases.

The above said information about transfer of shares in demat mode was intimated to the Shareholders who are holding shares of the Company in physical mode.

### Procedure for obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the depositories or with RTA on physical folios:

Due to the spread of pandemic COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

1. Those shareholders who have registered/not registered their mail address and mobile no.s including address and bank details may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited in case the shares held in physical form.
2. Shareholders who have not registered their mail address and in consequence the Annual Report, Notice of e-AGM and e-voting notice could not be serviced may temporarily get their email address and mobile number registered with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited, by sending the email at [vinod.y@bigshareonline.com](mailto:vinod.y@bigshareonline.com).
3. Shareholders may also visit the website of the Company [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) for downloading the Annual Report and Notice of the e-AGM.
4. Alternatively members may send an e-mail request at the email id [vinod.y@bigshareonline.com](mailto:vinod.y@bigshareonline.com) or [shares@lumaxmail.com](mailto:shares@lumaxmail.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of e-AGM and the e-voting instructions.

## Annexure – B (Contd.)

### CERTIFICATE OF COMPLIANCE OF CODE OF CONDUCT BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

I, Vikas Marwah, Chief Executive Officer of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance of the Code of Conduct of the Company for the FY 2020-21.

Place: New Delhi  
Date: June 12, 2021

**Vikas Marwah**  
Chief Executive Officer

#### LUMAX AUTO TECHNOLOGIES LIMITED

#### CEO and CFO Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- a. We certify to the Board that we have reviewed Financial Statements and Cash Flow Statement for the year ended March 31, 2021 and that to the best of our knowledge and belief;
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.
- d. We have indicated to the Auditors and the Audit Committee
  - (i) significant changes in internal control over financial reporting during the year, if any;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - (iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Ashish Dubey**  
Chief Financial Officer

**Vikas Marwah**  
Chief Executive Officer

Date: June 12, 2021

## Annexure – B (Contd.)

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to clause 10 of Part C of Schedule V read with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

**Lumax Auto Technologies Limited**

2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex,  
Nangal Raya, New Delhi-110046

I/We have examined the relevant records, forms, returns and disclosures received from the Directors of Lumax Auto Technologies Limited having CIN L31909DL1981PLC349793 and having registered office at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Maneesh Gupta**

FCS No.: 4982

CP No.: 2945

Place: New Delhi

Date: May 20, 2021

UDIN: F004982C000348611



## Annexure – B (Contd.)

### Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of Lumax Auto Technologies Limited.

1. The Corporate Governance Report prepared by Lumax Auto Technologies Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("Applicable criteria") for the year ended March 31, 2021 as required by the Company for annual submission to the Stock exchange.

#### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on March 31, 2021 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
  - iv. Obtained and read the minutes of the following committee meetings / other meetings held between April 01, 2020 to March 31, 2021:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM);
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Independent Director Meeting; and
    - (g) Corporate Social Responsibility Committee.
  - v. Obtained necessary declarations from the directors of the Company.
  - vi. Obtained and read the policy adopted by the Company for related party transactions.

## Annexure – B (Contd.)

- vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 4 above.

### Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 21094421AAAACM4786

Place of signature: New Delhi

Date: June 12, 2021

## Annexure – C

### Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees

#### 1. INTRODUCTION AND REGULATORY FRAMEWORK

This Nomination and Remuneration Policy (“Policy”) of Lumax Auto Technologies Limited (“Lumax” or “Company”) has been formulated under the requirements of applicable laws viz. Section 178 of the Companies Act, 2013 (“Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).

The Company believes that human resources as an asset are invaluable and play an integral part in the growth and success of the Company. The Company also acknowledges that a Board with diversified expertise and experience, adequate mix of Executive and Independent Directors, provides the desired vision, governance structure and mission to the Company in order to enable it to achieve its goals.

This Policy on the appointment and remuneration of Directors including Independent Directors, Key Managerial Personnel (KMP), Senior Management and other employees provides a referendum based on which the Human Resource Management Team plans and strategies their recruitment plans for the strategic growth of the Company.

The Policy has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

#### 2. OBJECTIVE

The objective of this Policy are as follows:

- laying down a framework in relation to appointment, remuneration and removal of Directors, KMP and other employees;
- creating a transparent system of determining the appropriate level of remuneration throughout all career levels and roles of the Company;
- Motivate the Directors, Key Managerial Personnel and other employees, to perform to their maximum potential;
- Ensure consistency in remuneration and benefits throughout the Company;
- Align the performance of the business with the performance of key individuals and teams within the Company;
- Allow the Company to compete in each relevant employment market; and
- Development and retaining of talent.

#### 3. CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

In line with the requirements of the Act and Listing Regulations, the Board of Directors has constituted the “Nomination and Remuneration Committee”.

The Committee shall at all times (unless stipulated otherwise by law) have at least 3 non-executive directors, out of which one-half shall be Independent Directors. If the chairperson of the Company appointed as a member of the Committee, he shall not chair such Committee. The Board has authority to reconstitute this Committee from time to time.

Presently, the Nomination and Remuneration Committee comprises of following Members:

S. No.	Name	Category
1.	Mr. Milap Jain	Chairman (Non- Executive Independent Director)
2.	Mr. Roop Salotra	Member (Non- Executive Independent Director)
3.	Mr. Deepak Jain	Member (Non- Executive Director)
4.	Mr. Sanjay Mehta	Member (Non- Executive Director)

#### 4. ROLE OF NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee shall endeavour to perform its role as prescribed u/s 178(4) of the Act and Regulation 19 of Listing Regulations read with Para A of Part D of Schedule II of the Listing Regulations which is summarized hereunder:

- formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- devising a policy on diversity of Board of Directors;
- identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- recommend to the Board, all remuneration, in whatever form, payable to senior management;
- 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.

## Annexure – C (Contd.)

In formulation of the Policy as enumerated above, the Nomination and Remuneration Committee shall ensure to take into account the following principles:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and performance incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

### 5. APPOINTMENT/ NOMINATION OF DIRECTORS

#### General Criteria

- a) The Board shall comprise of optimum number of Directors as is necessary to effectively manage the affairs of the Company. Subject to a minimum of 3 and maximum of 15, the Board shall have an appropriate combination of Executive, Non-Executive, Independent and Woman Directors.
- b) The Nomination and Remuneration Committee shall be responsible for identifying suitable candidate for appointment as Director of the Company. While evaluating a person for appointment/re-appointment as Director, the Committee shall consider and evaluate including but not limited to background and qualifications, knowledge, skills, abilities, professional experience and functional expertise, personal accomplishment, age, experience of automobile/auto component industry, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board.
- c) The proposed candidate shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research and development, technical operations, corporate governance or such other areas related to the Company's business as determined by the Nomination and Remuneration Committee.
- d) The proposed candidate shall not be discriminated against on the basis of race, religion, nationality, sex, disability, or any other basis prohibited by law.
- e) The proposed candidate shall understand and endeavour to balance the interests of shareholders and/ or other stakeholders and put the interests of the

Company or organization above self-interest. He/she has demonstrated a commitment to transparency and disclosure.

#### Managing Directors or Whole Time Directors

The Board based on the recommendation of the Nomination and Remuneration Committee shall be responsible for identifying suitable candidate for the position of Managing Director/Whole-time Director. The terms and conditions of the appointment shall be in accordance with the provisions of Act and Listing Regulations.

#### Independent Directors

Before recommending a nominee's candidature to the Board for being appointed as an Independent Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors:

- a) An Individual should fall within the purview of definition and criteria of "independence" as set out in Section 149 of the Act, the Listing Regulations and other applicable laws;
- b) is a person of integrity and possesses relevant expertise and experience;
- c) who is or was not a promoter of the Company or its holding, subsidiary or associate Company;
- d) who is not related to promoters or Directors in the Company, its holding, subsidiary or associate Company;
- e) Has attained minimum age of 25 years;
- f) Does not hold directorship in more than seven listed entities;
- g) Does not hold directorship in more than three listed entities, if serving as a Whole-time Director in any listed entity.

### 6. REMUNERATION OF DIRECTORS

The Company shall strive to have a remuneration structure which should be reasonable and sufficient in order to justify the position and responsibility and to retain the Directors. The relationship of remuneration to performance should be clear and should meet appropriate performance benchmarks. The Committee shall be responsible for reviewing and making recommendations to the Board on Remuneration of Executive Directors and Non- Executive/ Independent Directors which shall be done in accordance with applicable law and amendments thereof.

#### Managing Directors or Whole Time Directors

- a) The Committee shall determine remuneration structure for Managing Directors/ Whole-time Directors taking into account factors it deems relevant, including but not

## Annexure – C (Contd.)

limited to market scenario, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and Government/other guidelines.

- b) The remuneration and commission to be paid to the Managing Director/ Whole-time Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- c) Any changes to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Directors for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) If, during any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/ Executive/ Whole-time Director(s) in accordance with the provisions of Schedule V of the Companies Act, 2013.

### Non- Executive Directors/Independent Director:

The Non- Executive Directors or the Independent Directors may receive remuneration by way of:

- Sitting fees for participation in the Board and other meetings
- Commission as approved by the Shareholders of the Company
- Reimbursement of expenses in connection with participation in the Board and other meetings

The Independent Directors shall not be entitled to any stock options. Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to Independent Directors. Provided that the amount of such fees shall not exceed the maximum permissible under the Companies Act, 2013.

### 7. APPOINTMENT OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL (NOT BEING DIRECTOR)

The Executive Management Team (Key Managerial Personnel and Senior Management Personnel) is responsible for managing the Company's core business operations as a

whole and management of day to day affairs of the Company. Pursuant to the provisions of Section 2(51) of the Act, the Key Managerial Personnel (KMP) with reference to the Company means:

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-Time Director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary;
- (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed.

Pursuant to the provisions of Regulation 16(d) of the Listing Regulations, the Senior Management Personnel with reference to the Company means:

“Officers/personnel of the listed entity who are Members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/ Whole-time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.”

The nomination and appointment of KMP and Senior Management Personnel (Not being Director) shall be governed in accordance with following guidelines:

- a) The Nomination and Remuneration Committee shall be responsible for identifying suitable candidate for the position of Key Managerial Personnel i.e. Chief Financial Officer, Company Secretary, and other Senior Management Personnel;
- b) The appointment of Key Managerial Personnel and Senior Management Personnel shall be approved by the Board on recommendation of the Nomination and Remuneration Committee;
- c) While evaluating a person for appointment/re-appointment in a senior management position, the management shall consider various factors including individual's background, core competencies, skills, attributes, personal traits (viz. leadership, ability to exercise sound judgement), educational and professional background, personal accomplishment, age, relevant experience and understanding of related field viz. marketing technology, finance or such other discipline relevant to present and prospective operations of the Company;

## Annexure – C (Contd.)

d) The KMP or Senior Management Personnel on its appointment shall not hold office or place of office in addition to the Company and shall not engage in business activity which might detrimentally conflict with the interest of the Company.

### 8. REMUNERATION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL (NOT BEING DIRECTOR)

The remuneration of Key Managerial Personnel and Senior Management Personnel (Not being Director), at the time of appointment shall be decided by the Committee and recommended to the Board.

The remuneration of Key Managerial Personnel, Senior Management Personnel of the Company (not being director) shall comprise of one or more of the following components which shall be decided by Company's Human Resources Department:

1. Fixed Pay
2. House Rent Allowance
3. Perquisites and Allowances
4. Re-imbursment Medical Expenses
5. Contribution to P.F.
6. Such other allowances, benefits and perquisites as may be decided

The KMP and Senior Management Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the Company. Thereafter, the remuneration shall be determined within the appropriate grade and is based on an individual's experience, skill, competencies and knowledge relevant to the job and an individual's performance and potential contribution to the Company.

The decision on revision in remuneration and annual increments on remuneration of KMP and Senior Management Personnel shall be decided by the Chief Executive Officer and Senior Executive Director in consultation with Human Resources Department within the overall framework of compensation and appraisal policy of the Company.

### 9. APPOINTMENT AND REMUNERATION OF OTHER EMPLOYEES

The appointment of other employees shall be made on the basis of the experience, qualification, expertise of the individual as well as the roles and responsibilities required for the position and shall be approved by the Human Resource Department.

The remuneration for other employees would be as per the appraisal and compensation policy of the Company, as revised through the annual review process from time to time and approved by the Chief Executive Officer & Senior Executive Director in consultation with the Head of Human Resources Department.

### 10. TERM / TENURE

#### a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive/ Whole- time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the shareholders of the Company and disclosure of such appointment in Boards Report. The re-appointment / extension of term of the Director shall be on the basis of their performance evaluation.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

### 11. EVALUATION OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

Section 178(2) of the Act casts upon the Nomination and Remuneration Committee, the responsibility to specify the manner for effective evaluation of Performance of Board, its committees and Individual Directors. This evaluation process aims to ensure that individual Directors and the Board of Directors of the Company as a whole work efficiently and effectively towards achieving Company's objectives. This evaluation forms part of this Policy and aims at establishing a procedure for the Board to conduct periodic evaluation of Members and of its committees. In deciding the methodology to be adopted for performance evaluation the Committee/ Board may resort to below mentioned procedures:

Internal Evaluation: In case of internal evaluation, the Committee is responsible for managing both the process as well as the content. The performance may generally be

## Annexure – C (Contd.)

evaluated by a standard questionnaire. The specific issues and questions that should be considered in a performance evaluation of the entire Board, Independent Directors, Non-Independent Directors, Committees can be determined by the Committee from time to time.

External Evaluation: External evaluation may be externally facilitated. Externally facilitated evaluations are undertaken with the assistance of an external expert. However, the Company is not adopting this method at this initial stage of implementation.

### 12. FREQUENCY OF BOARD EVALUATION

Section 134(3)(p) of the Act provides that there has to be a formal annual evaluation of Board of its own performance and that of its committees and individual directors.

The Company may undertake annual evaluation either in accordance with calendar year or financial year, as there is no clarity on this. Ideally, the same should be as per financial year.

### 13. DISCLOSURE

The policy shall be disclosed in the Board Report, Annual Report, website and such other places as may be required

by the Act and rules framed thereunder, Equity Listing Agreement entered into with the stock exchanges (including any statutory modification(s) or re-enactment thereof) and such other laws for the time being in force.

### 14. ADMINISTRATION, REVIEW AND AMENDMENT OF THE POLICY

The Nomination & Remuneration Committee shall monitor and periodically review the Policy and recommend the necessary changes to the Board for its approval. The Head of Human resources Department and the Company Secretary are jointly authorized to amend the policy to give effect to any changes/amendments notified by Ministry of Corporate Affairs or the Securities and Exchange Board of India. The amended policy shall be placed before the Board for noting and ratification. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

### 15. CLARIFICATION

In case of any clarification, any person may contact the Chief Compliance Officer & Company Secretary at the Corporate Office of the Company.

## Annexure – D

### FORM AOC – 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

#### 1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

a.	Name(s) of the related party and nature of relationship	NA
b.	Nature of contracts/arrangements/transactions	
c.	Duration of the contracts/arrangements/transactions	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions	
f.	Date(s) of approval by the Board	
g.	Amount paid as advances, if any	
h.	Date on which (a) the requisite resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

#### 2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

a.	Name(s) of the related party and nature of relationship	Lumax Industries Limited
b.	Nature of contracts/arrangements/transactions	Sale, purchase, transfer or receipt of products, goods, materials, assets or services Rent/Leasing Transactions & Rent Deposits, Reimbursement of Expenses etc.
c.	Duration of the contracts/arrangements/ transactions	April 1, 2020 to March 31, 2021
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 21,733.38 Lakhs
e.	Date(s) of approval by the Board, if any	November 10, 2020
f.	Amount paid as advances, if any	Nil

All related party transactions are in the ordinary course of business and on arm's length basis which are approved by Audit Committee of the Company.

**For and on behalf of the Board of Directors of  
Lumax Auto Technologies Limited**

**D. K. Jain**

Chairman

DIN: 00085848

Place: New Delhi

Date: June 12, 2021



## Annexure – E

### Statement of Disclosure of Remuneration pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. Ratio of the Remuneration of each Executive Director to the Median Remuneration of the Employees of the Company for the FY 2020-21, the percentage increase in Remuneration of Managing Director, Executive Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the FY 2020-21

S. No.	Name of Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median Remuneration of all employees	% increase/ (decrease) in Remuneration during the FY 2020-21**
1	Mr D. K. Jain	Executive Chairman	59.87	(13.58)
2	Mr Anmol Jain	Managing Director	56.42	(26.15)
3	Mr Vikas Marwah*	Chief Executive Officer	NA	NA
4	Mr Ashish Dubey	Chief Financial Officer	NA	(13.42)
5	Mr Anil Tyagi*	Company Secretary	NA	NA

- B. The percentage increase in the Median Remuneration of Employees for the FY 2020-21 was (8.67)%.
- C. The number of Permanent Employees on the rolls of the Company as on March 31, 2021 was 1001.
- D. The Average Percentage decrease in the salaries of the employees other than the Managerial Personnel for the Financial Year was (1.06)% and the decrease in the Managerial Remuneration was (20.17)%.
- E. Affirmation that the remuneration is as per the remuneration policy of the Company:

The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013.

\* The % increase/(decrease) in remuneration is provided for only those who have drawn the remuneration from the Company for the complete FY 2020-21 and FY 2019-20.

\*\* Due to voluntary salary cut during the first half of FY 2020-21.

## Annexure – F

### SECRETARIAL AUDIT REPORT

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2021

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Lumax Auto Technologies Limited  
CIN: L31909DL1981PLC349793  
2<sup>nd</sup> Floor, Harbans Bhawan-II,  
Commercial Complex,  
Nangal Raya, New Delhi-110 046

We were appointed by the Board of Directors of Lumax Auto Technologies Limited (hereinafter called the Company) to conduct Secretarial Audit for the financial year of the Company ended March 31, 2021.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

#### Management's Responsibility for Secretarial Compliances

The Company's management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

#### Auditors Responsibility

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

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.

The secretarial audit report is neither an assurance to the future viability of the Company nor of the efficacy or

effectiveness with which the management has conducted the affairs of the Company.

#### Opinion

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – **Not applicable to the Company during the year under review;**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not applicable to the Company during the year under review;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable to the Company during the year under review;**

## Annexure – F (Contd.)

- (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 – **Not applicable to the Company;**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable to the Company during the year under review;** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable to the Company during the year under review;**
- (i) The Securities and Exchange Board of India (Depositories and Participants) 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.
  - (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2021, complied with the aforesaid laws, material compliances are listed in the Annexure attached to this report.

Based on information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the financial year under review were carried out in compliance with the provisions of the Act.
2. 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 except in case of meetings convened at a shorter notice, 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.
3. The Company has proper Board processes.  
Based on the compliances mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on records by the Board of Directors at their meeting(s), we are of the opinion that the management has:
  - a) 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.
  - b) Complied with the following laws applicable to the Company:
    - (i) Factories Act, 1948
    - (ii) Standing Order Act, 1946
    - (iii) The Industrial (Development and Regulation) Act, 1951
    - (iv) The Contract Labour (Regulation and Abolition) Act, 1970,
    - (v) The Child Labour (Prohibition and Regulation) Act, 1986,
    - (vi) The Workmen's Compensation Act, 1923,
    - (vii) The Environment (Protection) Act, 1986,

**Maneesh Gupta**

FCS No. 4982

C P No. 2945

UDIN: F004982C000446588

Place : New Delhi

Date : June 11, 2021

## Annexure – F (Contd.)

### ANNEXURE TO SECRETARIAL AUDIT REPORT

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has during the financial year under review, complied with the provisions of the Act, Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:

1. Maintenance of various statutory registers and documents and making necessary entries therein;
2. Contracts and Registered Office and publication of name of the Company;
3. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or such other authorities;
4. Service of documents by the Company on its Members, Directors, Stock Exchanges, Auditors and Registrar of Companies;
5. Constitution of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Share Transfer/ Stakeholder Relationship Committee, Corporate Social Responsibility Committee;
6. Appointment, re-appointment and Retirement of Directors including Managing Director and Executive Directors and payment of remuneration to them;
7. Disclosure of interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interest in other entities by Directors;
8. Disclosure requirements in respect to their eligibility for appointment, declaration of their independence, compliance with code of conduct for Directors and Senior Management Personnel;
9. Established a policy on related party transactions. All transactions with related parties were in the ordinary course of business and on arms-length basis and were placed before the Audit Committee periodically;
10. Established a vigil mechanism and providing to complainants, if any, unhindered access to the Chairman of the Audit Committee.
11. Constituted the Corporate Social Responsibility Committee formulating and adopting Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company;
12. Appointment of persons as Key Managerial Personnel;
13. Appointment and remuneration of Statutory Auditor and Cost Auditor;
14. Appointment of Internal Auditor;
15. Notice of meetings of the Board and Committee thereof;
16. Minutes of meetings of the Board and Committees thereof including passing of resolutions by circulations;
17. Notice convening annual general meeting held on August 28, 2020 and holding of the meeting on that date;
18. Minutes of General meeting;
19. Approval of Members, Board of Directors, Committee of Directors and government authorities, wherever required;
20. Form of Balance Sheet as at March 31, 2020 as prescribed under the Companies Act, 2013;
21. Report of the Board of Directors for the financial year ended March 31, 2020;
22. Borrowings and registration of charges;

**Maneesh Gupta**

FCS No. 4982

C P No. 2945

Place : New Delhi

Date : June 11, 2021

UDIN: F004982C000446588

## Annexure – F (Contd.)

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED March 31, 2021

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,

#### The Members

#### Lumax Mannoh Allied Technologies Limited

**CIN: U35912DL2013PLC255694**

2<sup>nd</sup> Floor, Harbans Bhawan-II,  
Commercial Complex, Nangal Raya,  
New Delhi- 110046.

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **Lumax Mannoh Allied Technologies Limited** (hereinafter called '**the Company**') for the Financial Year ended March 31, 2021. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion 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 also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended on March 31, 2021 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

#### Auditors' Responsibility:

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on the secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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.

We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

**We report that**, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of (as amended):

1. The Companies Act, 2013 ('the Act') and the Rules made there under read with notifications, exemptions and clarifications thereto;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings- **[Applicable only to the extent of Foreign Direct Investment and Overseas Direct Investment]**;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **[Not Applicable to the Company during the Audit Period under review]**;
  - (b) The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015- **[Not Applicable to the Company during the Audit Period under review]**;

## Annexure – F (Contd.)

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018– **[Not Applicable to the Company during the Audit Period under review];**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014– **[Not Applicable to the Company during the Audit Period under review];**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008– **[Not Applicable to the Company during the Audit Period under review];**
- (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– **[Not Applicable to the Company during the Audit Period under review];**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009– **[Not Applicable to the Company during the Audit Period under review];**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018– **[Not Applicable to the Company during the Audit Period under review];**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015– **[Not Applicable to the Company during the Audit Period under review];**

**We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of all the applicable laws to the extent of its applicability to the Company during the financial year ended March 31, 2021 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

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

1. Secretarial Standards issued by the Institute of Company Secretaries of India– **complied with.**

2. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015– **[Not Applicable to the Company during the Audit Period under review].**

During the Financial Year under report, the Company has generally complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Secretarial Standards etc. as mentioned above.

**We further report that during the audit period under review:**

1. The Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. 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.
2. Except in case of meetings convened at a shorter notice, adequate Notice was given to all Directors to schedule the Board meetings and the agenda and detailed notes on agenda was sent at least seven days in advance. However, 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.
3. All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/Members present during the meeting and dissent, if any, have been duly incorporated in the Minutes.
4. There seems to be adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations and guidelines.
5. No specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has occurred in the Company other than mentioned above.

**For VAPN & Associates**

Practicing Company Secretaries  
Firm Registration No.: P2015DE045500

**Prabhakar Kumar**

Partner

Membership No.: F5781

CP. No.: 10630

UDIN: F005781C000439016

Place: New Delhi

Date: June 9, 2021

## Annexure – G

### BUSINESS RESPONSIBILITY REPORT

#### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L31909DL1981PLC349793		
2.	Name of the Company	LUMAX AUTO TECHNOLOGIES LIMITED		
3.	Registered Address	2 <sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046		
4.	Website	<a href="http://www.lumaxworld.in/lumaxautotech">www.lumaxworld.in/lumaxautotech</a>		
5.	E-mail id	<a href="mailto:shares@lumaxmail.com">shares@lumaxmail.com</a>		
6.	Financial Year reported	2020-21		
7.	Sector(s) that the Company is engaged in: (industrial activity code-wise)			
	<b>Sr. No.</b>	<b>Name and Description of Main Products &amp; Services</b>	<b>NIC Code of the Product/Service</b>	<b>% to Total Turnover of the Company</b>
	1.	Automotive Lamps	2740	14.98
	2.	Plastic Moulded Parts	22207	34.76
	3.	Frame Chassis	29103	19.89
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	Automotive Lamps, Moulded Parts and Frame Chassis		
9.	Total number of locations where business activity is undertaken by the Company:			
	(a) Number of International Locations (Provide details of major 5)	NIL		
	(b) Number of National Locations	<p>The Company has 9 manufacturing plants in below locations:</p> <p>1 Chinchwad, Pune, Maharashtra</p> <p>2 Bhosari, Pune, Maharashtra</p> <p>3 Chakan, Pune, Maharashtra</p> <p>4 K- 76, Aurangabad, Maharashtra</p> <p>5 B - 14, Aurangabad, Maharashtra</p> <p>6 Narsapura, Bengaluru, Karnataka</p> <p>7 Manesar, Gurugram, Haryana</p> <p>8 Pantnagar, Udham Singh Nagar, Uttarakhand</p> <p>9 Sahajapur, Aurangabad, Maharashtra</p> <p><b>In addition to above the Company has the following Marketing/Trading Divisions:</b></p> <p>1 Gurugram, Haryana</p> <p>2 Jamalpur, Gurugram, Haryana</p>		
10.	Markets served by the Company – Local/State/National/International	National & International		

#### SECTION B: FINANCIAL DETAILS OF THE COMPANY

(₹ in Lakhs)

S. No.	Particulars	FY 2020-21	FY 2019-20
1.	Paid up Capital	1,363.15	1,363.15
2.	Total Turnover		
	a) Revenue from operations	90,294.89	94,236.07
	b) Other income	2,206.43	2,717.95
3.	Total profit after taxes	4,208.73	5,127.38
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax : 2.01%*		

## Annexure – G (Contd.)

\* Including the unspent amount earmarked and deposited in separate account in terms of applicable laws.

5. List of activities in which expenditure in 4 above has been incurred :-

(a) Education : 73.96 Lakhs

(b) Health : 54.86 Lakhs

[Detailed in the CSR Annual Report (Annexure - H) which forms part of the Annual Report]

### SECTION C: OTHER DETAILS

#### 1. Does the Company have any Subsidiary Company/ Companies?

Yes. We have 10 subsidiaries (including 2 step down subsidiaries) and 2 Associates. Details of the same have been provided in another section of the Annual Report.

#### 2. Do the Subsidiary Company/Companies participate in the Business Responsibility Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).

The Subsidiary Companies are not required to comply with the Business Responsibility initiatives as per the laws applicable to them.

#### 3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the Business Responsibility initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company actively engages with its suppliers through its Business Responsibility initiatives. However, the Company does not track the actual participation.

### SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

#### 1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

DIN Number : 00004993

Name : Anmol Jain

Designation : Managing Director

(b) Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	08705643
2.	Name	Vikas Marwah
3.	Designation	Chief Executive Officer (CEO)
4.	Telephone Number	0124-4760000
5.	Email ID	vikas.marwah@lumaxmail.com

#### 2. Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policies

Principle 1 (P1)	Principle 2 (P2)	Principle 3 (P3)
Ethics, transparency and accountability.	Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Business should promote the wellbeing of all employees.
Principle 4 (P4)	Principle 5 (P5)	Principle 6 (P6)
Business should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	Business should respect and promote Human Rights.	Business should respect, protect and make Efforts to restore the environment.
Principle 7 (P7)	Principle 8 (P8)	Principle 9 (P9)
Business when engaged in influencing Public and Regulatory Policy, should do so in a responsible manner.	Business should support inclusive growth and equitable development.	Business should engage with and provide value to their customers and consumers in a responsible manner.



## Annexure – G (Contd.)

(a) Details of compliance (Reply in Y/N)

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?*	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	<a href="https://www.lumaxworld.in/lumaxautotech/policies.html">https://www.lumaxworld.in/lumaxautotech/policies.html</a>								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The BR policies and its implementation are evaluated internally.								

\* The Whistle Blower Policy, Code of Conduct, Prevention of Sexual Harassment Policy and Corporate Social Responsibility Policy are framed as per the requirements of the respective legislations of India. Environment policy conforms to ISO - 14001 which is an international standard released by International Standards Organization (ISO).

\*\* The Whistle Blower Policy and Code of Conduct are overseen by the Audit Committee of the Board of Directors of the Company and Corporate Social Responsibility Policy is overseen by the Corporate Social Responsibility Committee of the Board of Directors of the Company. Prevention of Sexual Harassment Policy is being overseen by Internal Complaints Committee (ICC) constituted under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The grievance, if any, arising out of Whistle Blower Policy, Code of Conduct and Prevention of Sexual Harassment Policy is being redressed by the respective committees which oversee them.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

Not Applicable

## Annexure – G (Contd.)

### 3. Governance related to Business Responsibility

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.**

The management regularly monitors the Business Responsibility initiatives and a complete assessment is done on need based and annually.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Business Responsibility Report is published annually as part of the annual report. The same can be accessed at our website.

### SECTION E: PRINCIPLE-WISE PERFORMANCE

#### Principle 1: ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? (Yes/No)**

No.

**Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs Others?**

Yes, it is applicable to suppliers and contractors. The Company plans to extend the applicability of the same on the other entities going forward.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words.**

1 (One) shareholder complaint was received and resolved in FY 2020-21.

#### PRINCIPLE 2: BUSINESS SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company is engaged in the manufacturing of Automotive Lamps, Plastic moulded Parts and Frame Chassis. Although, these products have insignificant social or environmental concern or risk, the Company follows strict adherence processes in compliance with the statutory norms.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

- a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain.

Not applicable.

- b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company always make efforts for optimum utilization of natural resources.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?**

- (a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

It is difficult to ascertain the percentage of inputs sourced from these suppliers accounting towards total inputs due to different kind of materials being used by the Company. Our sourcing strategy takes into consideration the environmental, social and ethical factors besides economic factors. The Company has an environment policy and safety policy.

Yes, the Company has a procurement policy in place for purchase of goods and raw material. The Company has identified the regional vendors for different components/materials based on QCDDS (Quality, Cost, Development, Deliver & Services) criteria.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

- (a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, the Company has dedicated Supplier Quality Assurance (SQA) and Safety team who hand hold, mentoring to all supplier partners and evaluate their performance periodically. The team visits their facilities, analyse quality related aspects, safety measures and create action plans jointly with the suppliers, for necessary improvement.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.**

The nature of the Company's business is such that there are no significant emissions or process wastes. The Company recycle materials (< 2%) wherever possible else disposed off in compliance with applicable statutory provisions.

## Annexure – G (Contd.)

### PRINCIPLE 3: BUSINESS SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

**1. Please indicate the Total number of employees :**

On roll 1,001, Casuals/Contractual 1,785

**2. Please indicate the Total number of employees hired on temporary/contractual/casual basis :**

Total numbers is 1,785

**3. Please indicate the Number of permanent women employees : 38**

**4. Please indicate the Number of permanent employees with disabilities : 1**

**5. Do you have an employee association that is recognized by management : Yes**

**6. What percentage of your permanent employees is members of this recognized employee association : 17%**

**1. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S. No.	Category	No. of complaints received during the financial year	No. of complaints pending as on March 31, 2021
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

**2. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?**

No.	Category	% Employees that were given safety training	% Employees that were given skill upgradation training
1	Permanent Employees	37	40
2	Permanent Women Employees	60	72
3	Casual/Temporary/Contractual Employees	98	88
4	Employees with Disabilities	100	100

### PRINCIPLE 4: BUSINESS SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

**1. Has the Company mapped its internal and external stakeholders? Yes/ No**

Yes.

Our stakeholders both internal and external, play a significant role in expressing our values, carrying out our mission, developing strategies, implementing processes and fostering long-term relationships. Internal and external stakeholders include Employees, Shareholders, Investors, Customers, Regulatory bodies, Supply chain partners, CSR beneficiaries, Governments.

**2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

Yes.

**3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

Yes, the Company has identified the disadvantaged, vulnerable & Marginalized stakeholders viz. unemployed & unskilled youth, people having limited or no access to basic education. The Company has taken initiatives to engage with the disadvantaged, vulnerable, marginalized stakeholders as per its CSR policy.

### PRINCIPLE 5: BUSINESS SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

**1. Does the Policy of the Company on human rights cover only the Company or extend to the group/ joint venture/ suppliers/ contractors / NGOs/ others?**

The Company respect the dignity of all individuals and communities and adhere to the principles of Human Rights. The Company

## Annexure – G (Contd.)

has adopted Code of Conduct and whistle blower policy. These policies are applicable to employees of Lumax Auto Technologies Limited. The underlining principles are communicated to all the vendors, suppliers and distributors and other key business associates of the Company, which they are expected to adhere to while dealing with the Company.

- 2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

Stakeholder	Complaints Received during FY 2020-21	Complaints Resolved during FY 2020-21	Complaints Resolved (%)
Whistle Blower	Nil	NA	NA
Sexual Harassment	Nil	NA	NA
Shareholders	1	1	100

**PRINCIPLE 6: BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT**

- 1. Does the Policy related to Principle 6 covers only the Company or extends to the group/ joint ventures/ suppliers/ contractors / NGOs/ others?**

The Environment Policy is applicable to the Company across all its Plants situated in India. The vendors are governed by their respective policies. Adherence to environmental laws and regulations is one of the pre-requisites for awarding a contract to any vendor.

- 2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give hyperlink for webpage etc.**

The Company has been undertaking various initiatives to address environmental issues. The emissions or waste generated by the Company are within the permissible limits specified by the Central Pollution Control Board (CPCB) and/or specific State Pollution Control Board (SPCB). Company's Certain plants are certified under ISO 14001 Standards for Environment Management Systems (EMS).

- 3. Does the Company identify and assess potential environmental risks?**

Yes, the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

- 4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

The Company continues to work towards development and implementation of climate change mitigation mainly through energy saving projects (including generation of power through wind mills and solar) across the Company. However, we do not have any registration of CDM projects.

- 5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewal energy etc.? if yes, please give hyperlink for webpage etc.**

The measures introduced by the Company for conservation of energy at its plant locations are contained in the Report on Conservation of Energy and Technology Absorption which forms part of the Board's Report.

- 6. Are the Emissions/ Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes.

- 7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

There is no pendency for any show cause/legal notice received.

**PRINCIPLE 7: BUSINESS WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER**

- 1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**

The Company is a member of several leading Industry Associations, including:

- ACMA- Automotive Component Manufactures Association
- SIAM- Society of Indian Automobile Manufactures
- CII- Confederation of Indian Industries

- 2. Have you advocated /lobbied through above associations for the advancement or improvement of public good? Yes/ No, if yes specify the broad areas**

The Company is taking up various suggestions / issues related to trade to the relevant authorities through these associations.

**PRINCIPLE 8: BUSINESS SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

- 1. Does the Company have specified programmes/ initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**

## Annexure – G (Contd.)

Lumax is committed to support various programs under India's identified Sustainable Development Goals (SDGs). In line with the SDGs, the Company is committed to support quality education & good health. Education as a means to uplift the level of the future generation and make them capable citizens of the country. Today, the Company is involved in providing and supporting career counselling, life-skills & soft-skills programs as also provide scholarships to bridge the education gap and limit drop out ratio of senior school students. These programs are undertaken in communities and schools in the vicinity of our plants, after assessing the needs in the community as also the schools.

### 2. Are the programmes/projects undertaken through in house team/ own foundation/ external NGO/ government structures/ any other organization?

The Programmes are undertaken through the Corporate Social Responsibility arm of the Company namely Lumax Charitable Foundation team and implementation partners.

### 3. Have you done any impact assessment for your initiative?

The CSR Committee reviews the progress of the initiatives for all the projects and programmes to assess the desired outcome on the society. Since most of the projects have been done for less than 3 years, the impact study is yet not done.

### 4. What is your company's direct contribution to community development projects amount in INR and the details of the projects undertaken?

For details on Company's contribution to its CSR projects and programmes, please refer 'Annexure-H Annual Report on CSR activities', to the Board's report for FY 2020-21.

### 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Our initiatives are in the schools to bring about changes in the lives of the students and indirectly impacting the communities in terms of social changes and economic improvement in future. Also support preventive and curative health initiatives to ensure good health of the communities, these are able to sensitize and generate awareness amongst communities to take care of their health and make lifestyle changes.

Yes, the Company regularly monitors CSR initiatives to ensure that they are properly implemented and sustain within communities.

### PRINCIPLE 9: BUSINESS SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

#### 1. What percentages of customer complaints/ consumer cases are pending as on the end of the financial year?

The Company caters to two, three, four-wheeler, commercial vehicle and off-road vehicle Original Equipment Manufacturers ("OEMs"). There is a strong mechanism defined in the Company to deal with issues and complaints reported by OEMs. OEMs communicate issues through their quality rating shared via e-mail communications, during their visits to plants or at meetings for which the corrective actions are planned to resolve and eliminate the problem(s) witnessed.

The Company also caters to retail market through its aftermarket division. The Complaints for the products sold in aftermarket can be raised through the following mode:

- Communicate the complaint at the customer care desk at local representative/ distributor.

There is no complaint which is pending attention and requisite action at Company's end.

#### 2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ NA / Remarks (additional information)?

Yes.

The Company's product are OEM specific and as per OEM requirements, the Company displays product requirement of OEM. The typical information displayed on product includes details of manufacturing date, manufacturing shift and customer part number. The details other than above which are mandatory as per applicable motor vehicle law are mentioned at specified locations.

#### 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial? If so, provide details thereof, in about 50 words or so.

No.

#### 4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Yes. The Company do take the feedback from the customers with the endeavour to achieve the highest level of satisfaction and to perform their operations accordingly. The Company has received various awards from different customers for meeting and exceeding their targets, which are mentioned in the annual report.

## Annexure – H

### ANNUAL REPORT ON CSR

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

**A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

The Company through its CSR initiatives is committed to enhance the social and economic development of communities and geographical areas, particularly in the vicinity of the plants location.

CSR activities of Lumax Auto Technologies Limited are carried out on it's own or through, Lumax Charitable Foundation.

Lumax Charitable Foundation, the CSR wing of Lumax, has been facilitating social initiatives over the years focusing on Health, Education, Girl child empowerment, and life enrichment programmes. The Vision of the Foundation focusses on its endeavor to transform lives of children, youth and the elderly to have a better future and eternal hope.

The mission translates to - Provide education, life skills and health in communities around our plant locations for a better and healthy life. Some of the major highlights over the years are:

- Transforming youth through Career Counselling.
- Working towards Junior and Senior Life Skills sessions.
- Indulging with children for celebration.

At a fundamental level, Lumax believes it is important to provide education to ensure that people have the baseline skills – literacy, numeracy - to survive in the world. Education also gives them the ability to communicate, complete tasks and work along with others. It is a powerful tool that empower individuals who in turn build better communities.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is <https://www.lumaxworld.in/lumaxautotech/downloads/CSR-policy-latl.pdf>

#### 1. Composition of CSR Committee:

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr Roop Salotra	Chairman / Independent Director	1	1
2	Mr D.K. Jain	Member / Executive Chairman	1	1
3	Mr Deepak Jain	Member / Non-Executive Director	1	1

2. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://www.lumaxworld.in/lumaxautotech/corporate-social-responsibility.html>.

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: Not Applicable

4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

5. Average net profit of the company as per section 135(5): ₹ 6,413.67 Lakhs

6. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 128.27 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 128.27 Lakhs

## Annexure – H (Contd.)

### 7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
102.82	26.00	April 29, 2021	Nil	Nil	Nil

### (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)			
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Location of the project	Project duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial Year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Name	CSR Registration number	
1.	Vidya Ananda – Career Counselling in Haryana and Pune	Education	Yes	Haryana And	Gurugram	Haryana And Maharashtra	Gurugram and Pune	Started in FY 2020-21	30.36	10.36	20.00	No	Lumax Charitable Foundation	CSR00001955
2.	Icare – Cataract Surgeries	Health	Yes	Haryana	Gurugram	Haryana	Gurugram	Started in FY 2020-21	17.12	11.12	6.00	No	Lumax Charitable Foundation	CSR00001955
<b>TOTAL</b>								<b>47.48</b>	<b>21.48</b>	<b>26.00</b>				

### (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	State	District	Location of the project	Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Name	CSR registration number
1.	Covid relief	Health	Yes	Karnataka	Kolar	Karnataka	3.52	No	Lumax Charitable Foundation	CSR00001955
2.	Juvenile Diabetes	Health	Yes	Maharashtra	Pune	Maharashtra	24.21	No	Lumax Charitable Foundation	CSR00001955
3.	Integrating migrant students into Mainstream education	Education	Yes	Haryana	Gurugram	Haryana	10.28	No	Lumax Charitable Foundation	CSR00001955

## Annexure – H (Contd.)

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (₹ in Lakhs)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
4.	Life skills	Education	Yes	Haryana	Rewari	5.54	No	Lumax Charitable Foundation	CSR00001955
5.	Girl Child Education	Education	Yes	Haryana	Gurugram	0.64	No	Lumax Charitable Foundation	CSR00001955
6.	Life skill for Junior	Education	Yes	Haryana	Gurugram	12.00	No	Lumax Charitable Foundation	CSR00001955
7.	Cancer Patient Support	Health	Yes	Haryana	Gurugram	5.00	No	Lumax Charitable Foundation	CSR00001955
8.	Scholarship	Education	Yes	Haryana Maharashtra	Rewari Pune	9.04	No	Lumax Charitable Foundation	CSR00001955
9.	Covid Relief	Health	Yes	Uttarakhand	Udham Singh Nagar	0.52	Yes		
10.	Covid Relief	Health	Yes	Maharashtra	Pune and Aurangabad	3.00	Yes		
11.	Learning Aid	Education	Yes	Karnataka	Kolar	6.11	No	Lumax Charitable Foundation	CSR00001955
12.	Post Covid - 19 distribution of Mask, Sanitizer and Peddle stand	Health	Yes	Haryana	Rewari	1.48	No	Lumax Charitable Foundation	CSR00001955
<b>TOTAL</b>						<b>81.34</b>			

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable:: NIL

(f) Total amount spent for the Financial Year: ₹ 128.82 Lakhs  
(7b+7c+7d+7e)



## Annexure – H (Contd.)

### (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	128.27
(ii)	Total amount spent for the Financial Year	128.82
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.55
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.55

### 8. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.				NIL			

### (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
1.					NIL			

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Nil

10. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):  
NA

**Vikas Marwah**  
(Chief Executive Officer)

**Roop Salotra**  
(Chairman CSR Committee)

## Annexure – I

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 134(3)(m) of the Companies Act, 2013 and forming part of Directors' Report for the year ended March 31, 2021.

#### A. CONSERVATION OF ENERGY

The Company does not come under the category of power intensive unit, adequate measures have been taken for energy conservation and thereby to reduce energy cost.

##### 1) Energy Performance Improvement Action taken and their impact:

###### a. Reduction of Energy Consumption in compressed Air Network

- i) Reduction in generation pressure by leakage arresting.
- ii) Installation of variable frequency drives on compressor thereby reducing the unload power consumption of compressor
- iii) Auto Drain trap for receivers instead of timer-based drain traps

###### b. Reduction of Energy Consumption of pumping System

- i) Replacement of inefficient pumps with Energy Efficient Pumps
- ii) Reducing pumping cost with the installation of variable frequency drives on pumps so as to reduce the pumping volume wherever higher capacity pumps are being operated.

###### c. Reduction in energy consumption of process by reducing the radiation losses

The Company has insulated the equipment with higher surface temperature like hopper insulation of Injection Molding Machine

###### d. Reduction in Energy Consumption of Cooling Tower

- i) Reducing energy consumption of cooling tower by replacement of CI fan with FRP fan
- ii) Reducing energy consumption of cooling tower by interlocking of CT fan speed with cooling tower outlet temperature

###### e. Reduction in energy consumption of Motor System

- i) Replacement of conventional motors with Energy Efficient Motors
- ii) Replacement of higher capacity motors with lower capacities motor with load analysis of motor

###### f. Reduction in energy consumption of Air Conditioning System

- i) Installation of Energy Saver for Air Conditioning Systems
- ii) Timer for Air Conditioning System (to off the ACs during non- occupancy in the area)

##### 2) Step taken by the Company for utilizing alternate source of energy

The Company has already installed 1.53 MW of solar roof top panels for harnessing renewable energy for the manufacturing process. The Company is in discussion with various power producers who are physically present and have set up/under final stage of completion of their plant for renewable energy for Karnataka region that will fetch huge amount of savings in energy cost and will also reduce the carbon footprint.

##### 3) Energy Management System (EnMS) ISO- 50001:2018

The Company has planning to get certified for Energy Management System (EnMS) ISO 50001:2018 for its plants. This certification will help plants to keep a check on the energy consumption of plant and thereby help in continual improvement in energy consumption reduction.

##### 4) Energy Monitoring System

As per the objective of the Company for continuous improvement on each process and monitor real time data base to avoid any resource loss we have installed energy monitoring system have been installed in plants at Pant Nagar and Manesar and have planned to implement the same in all other plants.

##### 5) Capital Investment on Energy Conservation Equipments

The total investment made for installation or optimization of energy conservation in plants is about ₹ 93.68 Lakhs.

#### B. TECHNOLOGY ABSORPTION

The Company does not have any imported technology and hence the details required to be given for the imported technology are not applicable.

As a trend in the Auto Industries is changing from import in technology to provide and develop local competency, the Company has taken various initiatives to improve local technical capabilities.

#### RESEARCH & DEVELOPMENT

##### Expenditure on Research & Development

(₹ in Lakhs)

(i)	Capital	-
(ii)	Recurring	63.90
	<b>Total</b>	<b>63.90</b>
(iii)	Total R & D Expenditure as a percentage of Total Turnover	0.07%

#### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year is ₹ 895.74 Lakhs and the Foreign Exchange outgo during the year in terms of actual outflows is ₹ 1,022.07 Lakhs.

## **FINANCIAL STATEMENTS**

**STANDALONE: PAGE NOs. 104 - 180**

**CONSOLIDATED: PAGE NOs. 181 - 271**

# Independent Auditor's Report

To the Members of Lumax Auto Technologies Limited

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying standalone financial statements of Lumax Auto Technologies Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<p><b>Various pricing liabilities and its impact on recognition on revenue</b> (as described in note 48 of the standalone financial statements)</p> <p>Revenue is measured by the Company at the transaction price i.e. amount of consideration received/ receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of products, the Company considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Assessed the Company's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115.</li> <li>Obtained an understanding of the revenue process, and the assumptions used by the management in the process of estimation of price adjustments as per the customer contracts, evaluated design, and implementation of controls, validation of management review controls and tested the operating effectiveness of controls relating to accrual of price adjustments.</li> </ul>

## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<p>The Company business requires passing on these credits to the customers once negotiation are finally settled for the sales made by the Company during the year. The estimated liabilities based on various negotiation documents/ consideration at year end are disclosed in note 48 to the standalone financial statements and the consequential impact on revenue is disclosed in note 48 to the standalone financial statements.</p> <p>We have considered this as a key audit matter on account of the significant judgement involved in estimation of price adjustments to be recorded as at the year end.</p>	<ul style="list-style-type: none"> <li>• Evaluated management's methodology and assumptions used in estimation of price adjustments as per customer contracts including the relevance and reliability of underlying historical data, developments during the year and assumptions used.</li> <li>• Tested completeness, the arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts.</li> <li>• Performed procedures to verify that all transactions relating to accrual of price adjustments that should have been recorded have been recorded.</li> <li>• Tested, on sample basis, credit notes issued and payments made as per customer contracts/ agreed price negotiations.</li> <li>• Performed various analytical procedures to identify any unusual trends and identify unusual items for further testing.</li> </ul>

### Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 for the Standalone 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 standalone 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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

## Independent Auditor's Report (Contd.)

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 standalone 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 standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone financial statements for the financial year ended March 31, 2021 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

## Independent Auditor's Report (Contd.)

- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) 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, as amended 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 standalone financial statements – refer note 39(b) to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 21094421AAAACJ3154

Place of Signature: New Delhi

Date: June 12, 2021

## **Annexure 1** referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory requirements” of our report

### **RE: LUMAX AUTO TECHNOLOGIES LIMITED** **(‘The Company’)**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by the management at year end and no material discrepancies were noticed in respect of such confirmations.
- (iii) (a) The Company has granted loans to a Company covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loan are not prejudicial to the interest of the company.
- (b) In respect of loans granted to a Company covered in the register maintained under section 189 of the Companies Act, 2013, the schedule of repayment of the principal amount and interest is stipulated and repayments are regular.
- (c) In respect of loans granted to a Company covered in the register maintained under section 189 of the Companies Act, 2013, there are no amounts of loans which are outstanding for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act, 2013 in respect of the investments made and loans given have been complied by the Company. In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities granted in respect of which provisions of section 185 and no guarantees and securities granted in respect of which provisions of section 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of automobile components, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, duty of custom, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, goods and services tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, duty of custom, goods and services tax and cess on account of any dispute, are as follows:



## Annexure 1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory requirements” of our report (Contd.)

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Act, 1961	840.20 lakhs	Assessment year 2018-19	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Act, 1961	0.23 lakhs	Assessment year 2012-13	Income Tax Appellate tribunal
Custom Act, 1962	Duty Drawback	18.72 lakhs	Financial Year 2019-20	Assistant Commissioner of Custom

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank, financial institution or government. The Company did not have any dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans (vehicle loans) were applied for the purpose for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance

with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 21094421AAAACJ3154

Place of Signature: New Delhi

Date: June 12, 2021

## **Annexure 2 To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Lumax Auto Technologies Limited**

### **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 with reference to standalone financial statements of Lumax Auto Technologies Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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 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 the 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 Companies Act, 2013.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 with reference to these standalone financial statements was 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 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 with reference to these standalone financial statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS**

A company's internal financial controls with reference to standalone 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 controls with reference to standalone financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to standalone 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Annexure 2 To the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Lumax Auto Technologies Limited (Contd.)

### OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements

were operating effectively as at March 31, 2021, 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 issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 21094421AAAACJ3154

Place of Signature: New Delhi

Date: June 12, 2021

# Standalone Balance Sheet

As at March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>I. Non-current assets</b>			
Property, plant and equipment	3 (a)	19,890.52	20,342.65
Capital work in progress	3 (b)	514.41	113.05
Intangible assets	4	168.88	133.71
Right-to-use assets	5	2,277.03	2,141.78
Investment property	6	1,758.51	1,815.92
Investment in subsidiaries and a joint venture	7	7,202.94	6,211.22
Income tax assets(net)	8	-	78.99
Financial assets			
- Investments	9	8,940.14	5,014.16
- Loans	10	491.10	471.16
- Other financial assets	11	-	150.00
Other non-current assets	12	1,349.97	1,357.91
<b>Total non current assets</b>	<b>(A)</b>	<b>42,593.50</b>	<b>37,830.55</b>
<b>II. Current assets</b>			
Inventories	14	4,495.21	3,963.97
Financial assets			
- Investments	9	4,034.91	1,130.70
- Loans	10	1,166.92	47.85
- Trade receivables	15	17,954.69	16,484.89
- Cash and cash equivalents	16	162.26	3,114.93
- Other bank balances	17	6,268.82	4,516.05
- Other financial assets	11	1,252.40	271.87
Other current assets	12	1,186.85	1,354.82
		<b>36,522.06</b>	<b>30,885.08</b>
Assets classified as held for sale	13	-	366.22
<b>Total current assets</b>	<b>(B)</b>	<b>36,522.06</b>	<b>31,251.30</b>
<b>Total Assets</b>	<b>(A+B)</b>	<b>79,115.56</b>	<b>69,081.85</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
Equity share capital	18	1,363.15	1,363.15
Other equity	19	47,448.05	40,066.57
<b>Total equity</b>	<b>(A)</b>	<b>48,811.20</b>	<b>41,429.72</b>
<b>Liabilities</b>			
<b>II. Non-current liabilities</b>			
Financial liabilities			
- Borrowings	20	14.81	11.62
Other non-current liabilities	23	1,775.30	1,856.65
Deferred tax liabilities (net)	22	1,143.30	1,237.74
<b>Total Non Current Liabilities</b>	<b>(B)</b>	<b>2,933.41</b>	<b>3,106.01</b>
<b>III. Current liabilities</b>			
Financial liabilities			
- Borrowings	20	3,483.70	6,500.00
- Trade payables	24		
- total outstanding dues of micro and small enterprises		1,788.65	651.22
- total outstanding dues of creditors other than micro and small enterprises		14,393.30	11,611.46
- Other financial liabilities	25	2,243.77	1,896.45
Employee benefit Liabilities	21	1,369.04	1,037.19
Other current liabilities	23	3,903.58	2,849.80
Current tax liabilities (Net)	8	188.91	-
<b>Total Current Liabilities</b>	<b>(C)</b>	<b>27,370.95</b>	<b>24,546.12</b>
<b>Total Liabilities</b>		<b>30,304.36</b>	<b>27,652.13</b>
<b>Total Equity and Liabilities</b>	<b>(A+B+C)</b>	<b>79,115.56</b>	<b>69,081.85</b>

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

# Standalone Statement of Profit & Loss

## For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Continuing Operations</b>			
<b>I</b> Revenue from contracts with customers	26	90,294.89	94,236.07
<b>II</b> Other income	27	2,206.43	2,717.95
<b>III Total income</b>		<b>92,501.32</b>	<b>96,954.02</b>
<b>IV Expenses</b>			
Cost of raw material and components consumed	28	47,547.79	49,586.92
Cost of moulds consumed	29	134.26	641.96
Purchases of traded goods	28 (a)	15,861.99	15,484.12
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	30	(292.75)	(542.28)
Employee benefits expense	31	9,591.07	9,592.30
Finance costs	32	715.03	713.98
Depreciation and amortization expense	33	2,509.14	2,694.69
Other expenses	34	10,867.97	12,657.28
<b>V Total expenses</b>		<b>86,934.50</b>	<b>90,828.97</b>
<b>VI Profit before tax from continuing operations (III-V)</b>		<b>5,566.82</b>	<b>6,125.05</b>
<b>VII Tax expense:</b>			
Current tax	22	1,491.53	1,549.71
Adjustment of tax relating to earlier years	22	(39.93)	(40.17)
Deferred tax	22	(93.51)	(511.87)
<b>Total tax expense</b>		<b>1,358.09</b>	<b>997.67</b>
<b>VIII Profit for the year from continuing operations (VI-VII)</b>		<b>4,208.73</b>	<b>5,127.38</b>
<b>Discontinued operations</b>			
Profit before tax for the period / year from Discontinued operations		-	948.58
Less: Tax expenses of Discontinued operations		-	123.29
<b>IX Profit for the year from Discontinued operations</b>		<b>-</b>	<b>825.29</b>
<b>X Profit for the year (VIII+IX)</b>		<b>4,208.73</b>	<b>5,952.67</b>
<b>XI Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to statement of profit or loss in subsequent period</b>			
Re-measurement gains/ (losses) on defined benefit plans	35	(72.60)	(54.31)
Income tax effect	35	8.60	13.67
(Loss)/Gain on FVTOCI equity securities	35	3,925.98	(5,113.50)
Income tax effect	35	(7.66)	48.84
<b>XII Other comprehensive income/(loss) for the year, net of tax</b>		<b>3,854.32</b>	<b>(5,105.30)</b>
<b>XIII Total comprehensive income of the year, net of tax</b>		<b>8,063.05</b>	<b>847.37</b>
<b>XIV Earnings per share (In ₹) :</b>			
Earnings per share for continuing operation: (In ₹) :	36	6.17	7.52
- Basic and diluted			
Earnings per share for Discontinued operation: (In ₹) :	36	-	1.21
- Basic and diluted			
Earnings per share for Continuing and Discontinued operation: (In ₹) :	36	6.17	8.73
- Basic & Diluted			

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited****D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

## Standalone Cash Flow Statement

For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Cash Flow from Operating Activities</b>		
<b>Profit before tax from continuing operations</b>	5,566.82	6,125.05
<b>Profit before tax from discontinued operations</b>	-	948.58
Non-cash adjustments:		
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation of property, plant and equipment	2,061.68	2,282.40
Amortization of intangible assets	47.74	53.15
Amortization of Right to use assets	342.31	301.73
Depreciation on investment properties	57.41	57.41
(Profit) on sale of Property, plant and equipment	(221.32)	(16.51)
Dividend Income	(127.22)	(760.70)
Liabilities no longer required, written back	(86.18)	(191.77)
Provision for doubtful debt	44.17	76.42
Outstanding Balance written off	0.57	177.36
Unrealized exchange (gain)/loss	(8.13)	23.55
Rent income	(527.38)	(453.55)
Interest income	(337.74)	(295.68)
Interest expenses	715.03	713.98
Unrealized (gain)/loss on investment in mutual fund	(182.53)	103.00
<b>Operating profit before working capital changes</b>	<b>7,345.23</b>	<b>9,144.42</b>
<b>Movements in working capital :</b>		
(Increase)/Decrease in trade receivables	(1,518.31)	6,166.76
(Increase) in financial assets	(2,036.87)	(312.76)
Decrease/ (Increase) in other assets	282.70	(1,538.47)
(Increase) in inventories	(531.24)	(700.45)
Increase/ (Decrease) in trade payable and other payable	4,017.92	(6,443.32)
Increase/(Decrease) in current liabilities, provisions and financial liability	1,818.68	(481.87)
<b>Cash generated from operations</b>	<b>9,378.11</b>	<b>5,834.31</b>
<b>Direct taxes paid</b>	<b>(1,291.06)</b>	<b>(1,334.04)</b>
<b>Net cash generated from operating activities (A)</b>	<b>8,087.05</b>	<b>4,500.27</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work in progress and capital advances)	(2,054.00)	(710.01)
Proceeds from sale of property plant and equipment	70.17	2,230.39
Dividend income	127.22	760.70
Investments in subsidiaries and a Joint venture	(991.72)	(970.45)
(Purchase) / Redemption of mutual fund	(2,721.44)	814.98
Realized Gain on investment in mutual fund	(0.24)	(197.58)
Investment in bank deposits	(1,752.77)	(2,144.40)
Rent received	527.38	453.55
Interest received	405.07	247.98
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(6,390.33)</b>	<b>485.16</b>

# Standalone Cash Flow Statement

## For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Cash flows from financing activities</b>		
(Repayment) of long term borrowings (net)	(6.17)	(21.10)
(Repayment) of / Proceeds from short term borrowings (net)	(3,016.30)	1,484.70
Dividend paid (including tax thereon)	(681.58)	(4,010.02)
Interest paid	(715.02)	(713.98)
Payment of principal portion of lease liabilities	(230.32)	-
<b>Net cash (used in) financing activities (C)</b>	<b>(4,649.39)</b>	<b>(3,260.40)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A + B + C)</b>	<b>(2,952.67)</b>	<b>1,725.03</b>
Cash and cash equivalents at the beginning of the year	3,114.93	1,389.90
<b>Cash and cash equivalents at the end of the year</b>	<b>162.26</b>	<b>3,114.93</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	4.37	3.67
Balance with banks		
- On current accounts	157.89	2,879.02
- Deposits with original maturity of less than three months	-	232.23
<b>Total cash and cash equivalents (refer note 16)</b>	<b>162.26</b>	<b>3,114.93</b>

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

## Standalone Statement of Changes in Equity

For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Share Capital (1)	Other Equity					Total Reserves and Surplus (2)	Total Equity (1+2)
		Retained Earnings	Capital Reserve	Securities Premium	General Reserve	FVTOCI Reserve		
As at March 31, 2019	1,363.15	28,541.45	369.46	4,528.55	2,029.58	7,760.24	43,229.28	44,592.43
Add: Profit for the year	-	5,952.67	-	-	-	-	5,952.67	5,952.67
Add: Other comprehensive (loss)	-	(40.64)	-	-	-	(5,064.66)	(5,105.30)	(5,105.30)
Less: Dividend Paid	-	(3,407.95)	-	-	-	-	(3,407.95)	(3,407.95)
Less: Dividend Distribution Tax	-	(602.14)	-	-	-	-	(602.14)	(602.14)
<b>As at March 31, 2020</b>	<b>1,363.15</b>	<b>30,443.40</b>	<b>369.46</b>	<b>4,528.55</b>	<b>2,029.58</b>	<b>2,695.58</b>	<b>40,066.57</b>	<b>41,429.72</b>
Add: Profit for the year	-	4,208.73	-	-	-	-	4,208.73	4,208.73
Add: Other comprehensive income/(loss)	-	(64.00)	-	-	-	3,918.32	3,854.32	3,854.32
Less: Dividend Paid	-	(681.58)	-	-	-	-	(681.58)	(681.58)
<b>As at March 31, 2021</b>	<b>1,363.15</b>	<b>33,906.55</b>	<b>369.46</b>	<b>4,528.55</b>	<b>2,029.58</b>	<b>6,613.90</b>	<b>47,448.05</b>	<b>48,811.20</b>

The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

Place : New Delhi

Date : June 12, 2021



## Notes to Standalone financial statements

### For the year ended March 31, 2021

#### 1. CORPORATE INFORMATION

Lumax Auto Technologies Limited (“the Company”) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Company is located at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046

The Company is principally engaged in the manufacturing of automotive components. Information on the Company’s structure is provided in note 37. Information on other related party relationships of the Company is provided in note 40.

The financial statements were authorized for issue in accordance with a resolution of the directors on June 12, 2021.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements.

These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

##### 2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as applicable to the financial statement.

The financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities which have been measured at fair value or revalued amount (refer accounting policy regarding financial instruments).

The Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakhs (₹ 00,000), except wherever otherwise stated.

##### 2.2 Summary of significant accounting policies

###### A. Investment in subsidiaries and Joint Venture

The investment in subsidiary and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with

an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee and
- the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

###### B. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

### **Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **C. Foreign currencies**

#### **Functional and presentational currency**

The Company's financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

#### **Transactions and balances**

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

### **D. Property, plant and equipment**

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation

and accumulated impairment losses, if any. Cost comprises the purchase price (net of Input Tax Credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

#### **Depreciation on property, plant and equipment**

Depreciation is calculated on a straight-line basis over the estimated useful lives as estimated by the management which is in line with the Schedule II to the Companies Act, 2013. The Company has used the following useful lives to provide depreciation on its property, plant and equipment which is in line with schedule II:

<b>Assets</b>	<b>Useful Lives estimated by the management (in years)</b>
Lease hold land	99
Factory Building	30
Other Building	30 to 60
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	5
Electrical Installation	10

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

The management has estimated, supported by independent assessment by professionals, the useful life of the following class of asset, which are higher/different than that indicated in Schedule II.

Assets	Useful Lives estimated by the management (in years)
Plant and Machineries	9-21
Plant and Machineries (Robots)	12
Moulds	9

Leasehold land and leasehold improvement are amortized on a straight line basis over the period of lease term.

The residual value of property, plant and equipment is considered at 2%.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

#### E. Intangible assets

##### **Recognition and measurement**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

##### **Amortization and useful lives**

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Intangible Assets	Estimated Useful Life (Years)
Computer Software	Over the estimated economic useful lives of 4 years
Technical Know-how	Over the period of Technical Assistance Agreement i.e. 8 years

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gain or loss arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### F. Investment Property

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalized to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. When significant parts of investment property are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. All other repair and maintenance cost are expensed when incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model as per Ind AS 113 "Fair value measurement". Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Investment properties are depreciated using straight line method over their estimated useful life.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

#### G. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### H. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-to-use assets representing the right to use the underlying assets.

##### i. Right-to-use assets

The Company recognizes right-to-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-to-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-to-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-to-use assets are depreciated on a straight-line

basis over the shorter of the lease term and the estimated useful lives of the assets.

Land & Building: 2-12 years

Solar Power: 15 years

If ownership of the leased asset is transferred to the Company at the end of the lease term and a purchase option is exercised, depreciation is calculated using the estimated useful life of the asset.

The right-to-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

##### ii. Lease Liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

### iii. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

### I. Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realizable value.

The basis of determining costs for various categories of inventories is as follows:

- **Raw materials, components, stores and spares:** Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted moving average basis.
- **Work-in-progress and finished goods:** Cost includes direct material plus appropriate share of labour, manufacturing overheads based on normal operating capacity. Cost is determined on a weighted moving average basis.

- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Stores and spares which do not meet the definition of Property, plant and equipment are accounted as inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Scraps are valued at net realizable value.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of finished goods are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed its net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

### J. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### K. Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

However, Goods and services tax (GST), is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

### L. Sale of goods

Revenue from sale of goods (including tools) is recognized at the point in time when control of the inventory is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

Revenue is measured by the Company at the transaction price i.e. amount of consideration received/ receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of products, the Company considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors. Accordingly, revenue for the current year is net of price differences.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocated a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:

#### Schemes

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as discounts. Revenue from contract with customer is presented deducting cost of all these schemes.

#### Contract balances

##### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

##### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

##### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

### M. Interest Income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "other income" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### N. Dividend Income

Dividend is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### O. Rental Income

Rental income arising from operating leases are accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

### P. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### Q. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet to the extent

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- a) The date of the plan amendment or curtailment, and
- b) The date that the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, and
- b) Net interest expense or income.

### R. Provisions

#### General

A provision is recognized when the Company has a present obligation as a result of past event, it 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 obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

### Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognizes any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

### S. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a



## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### T. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### U. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### V. Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

#### W. Cash dividend to equity holders of the parent

The Company recognizes a liability to make cash dividend to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

#### X. Segment reporting

##### Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. Chief operating decision makers reviews the performance of the Company according to the nature of business of the Company which includes manufacturing and selling of automobile components. Accordingly, the Company has only one primary segment.

##### Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

#### Y. Assets held for sale

The Company classifies current and non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset

to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in note 13. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

#### Z. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents, if any

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosure of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

### AA. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

#### Financial Assets

##### *Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

### Debt instruments at amortized cost

A debt instrument is measured at the amortized cost if both the following conditions are met

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading or/and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

### **Financial Liabilities**

#### ***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, etc.

#### ***Subsequent measurement***

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit and loss (FVTPL)

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

### **Financial liabilities at Amortized cost**

#### ***Loans and borrowings***

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### ***De-recognition***

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### **Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

### **AB. Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortized cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as an expense in the statement of profit and loss.

### **AC. Business Combination**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefit is not probable.

Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies.
- The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

### 2.3 New and amended standards

#### i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after April 01, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after April 01, 2019. This amendment had no impact on the standalone financial statements of the Company.

#### ii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after April 01, 2020. The amendments to the definition of material are not expected to have a significant impact on the Company’s standalone financial statements.

### 2.4 Standards issued but not effective

There are no standards that are issued but not yet effective on March 31, 2021.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

##### 3(a) Property, plant and equipment (net)

The details of property, plant and equipment (net) :

	As at March 31, 2021	As at March 31, 2020
Land	793.87	1,277.52
Buildings	4,891.46	5,065.98
Lease Hold Improvement	67.20	77.99
Plant and Equipments	13,588.08	13,280.47
Furniture and Fixtures	297.82	282.07
Office Equipments	66.11	97.78
Vehicles	136.01	201.35
Computers	49.97	59.49
<b>Total</b>	<b>19,890.52</b>	<b>20,342.65</b>

##### 3(b) Capital work in progress

The details of capital work in progress:

	As at March 31, 2021	As at March 31, 2020
Capital work in progress	514.41	113.05
<b>Total</b>	<b>514.41</b>	<b>113.05</b>



## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### 3.1 Property, plant and equipment

Cost or valuation	Land **	Buildings#	Lease Hold Improvement	Plant and equipments	Furniture and fixtures	Office equipments	Vehicles	Computers	Total
As at April 01, 2019	1,340.39	6,785.72	76.20	24,604.05	356.52	381.52	780.77	451.33	34,776.50
Additions	-	62.68	13.17	1,931.86	136.93	27.85	18.86	19.98	2,211.33
Disposals	-	-	-	(216.17)	(4.81)	(8.55)	(53.02)	(19.12)	(301.67)
<b>As at March 31, 2020</b>	<b>1,340.39</b>	<b>6,848.40</b>	<b>89.37</b>	<b>26,319.74</b>	<b>488.64</b>	<b>400.82</b>	<b>746.61</b>	<b>452.19</b>	<b>36,686.16</b>
Additions	-	31.89	-	2,014.27	56.01	4.11	27.89	23.57	2,157.74
Disposals	-	-	-	(258.58)	(3.10)	(1.92)	(22.68)	(0.51)	(286.79)
Adjustment*	(546.52)	-	-	-	-	-	-	-	(546.52)
<b>As at March 31, 2021</b>	<b>793.87</b>	<b>6,880.29</b>	<b>89.37</b>	<b>28,075.43</b>	<b>541.55</b>	<b>403.01</b>	<b>751.82</b>	<b>475.25</b>	<b>38,010.59</b>
<b>Depreciation and Impairments</b>									
As at April 01, 2019	56.78	1,579.52	3.64	11,391.24	180.50	276.81	479.97	377.28	14,345.74
Depreciation Charge for the year	6.09	202.90	7.74	1,853.64	28.74	34.29	114.70	34.29	2,282.39
Disposal	-	-	-	(205.61)	(2.67)	(8.06)	(49.41)	(18.87)	(284.62)
<b>As at March 31, 2020</b>	<b>62.87</b>	<b>1,782.42</b>	<b>11.38</b>	<b>13,039.27</b>	<b>206.57</b>	<b>303.04</b>	<b>545.26</b>	<b>392.70</b>	<b>16,343.51</b>
Depreciation Charge for the year	6.09	206.41	10.79	1,641.13	40.26	35.78	88.13	33.09	2,061.68
Disposal	-	-	-	(193.05)	(3.10)	(1.92)	(17.58)	(0.51)	(216.16)
Adjustment*	(68.96)	-	-	-	-	-	-	-	(68.96)
<b>As at March 31, 2021</b>	<b>0.00</b>	<b>1,988.83</b>	<b>22.17</b>	<b>14,487.35</b>	<b>243.73</b>	<b>336.90</b>	<b>615.81</b>	<b>425.28</b>	<b>18,120.07</b>
<b>Net Block</b>									
<b>As at March 31, 2021</b>	<b>793.87</b>	<b>4,891.46</b>	<b>67.20</b>	<b>13,588.08</b>	<b>297.82</b>	<b>66.11</b>	<b>136.01</b>	<b>49.97</b>	<b>19,890.52</b>
<b>As at March 31, 2020</b>	<b>1,277.52</b>	<b>5,065.98</b>	<b>77.99</b>	<b>13,280.47</b>	<b>282.07</b>	<b>97.78</b>	<b>201.35</b>	<b>59.49</b>	<b>20,342.65</b>
<b>As at April 01, 2019</b>	<b>1,283.61</b>	<b>5,206.20</b>	<b>72.56</b>	<b>13,212.81</b>	<b>176.02</b>	<b>104.71</b>	<b>300.80</b>	<b>74.05</b>	<b>20,430.76</b>

\*Adjustment on account of Ind AS 116 "Leases", there is no impact on statement of profit and loss accounts

\*\* Block of Land as at March 31, 2021 represents Freehold Land

# Buildings includes non factory buildings

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 4. INTANGIBLE ASSETS

##### a) Details of intangible assets:

	As at March 31, 2021	As at March 31, 2020
<b>Intangible assets</b>		
- Computer software	168.88	133.71
<b>Total</b>	<b>168.88</b>	<b>133.71</b>

##### b) Disclosures regarding gross block of intangible assets, accumulated amortization and net block :

	Computer Software	Technical Know How	Total
<b>Cost</b>			
At April 01, 2019	466.01	57.84	523.85
Add: Additions	93.32	-	93.32
Less: Disposals	(47.12)	-	(47.12)
<b>At March 31, 2020</b>	<b>512.21</b>	<b>57.84</b>	<b>570.05</b>
Add: Additions	82.91	-	82.91
Less: Disposals	(1.42)	-	(1.42)
<b>At March 31, 2021</b>	<b>593.70</b>	<b>57.84</b>	<b>651.54</b>
<b>Amortization</b>			
At April 01, 2019	370.76	57.84	428.60
Add: Amortization charge for the year	53.14	-	53.14
Less: Disposals	(45.40)	-	(45.40)
<b>At March 31, 2020</b>	<b>378.50</b>	<b>57.84</b>	<b>436.34</b>
Add: Amortization charge for the year	47.74	-	47.74
Less: Disposals	(1.42)	-	(1.42)
<b>At March 31, 2021</b>	<b>424.82</b>	<b>57.84</b>	<b>482.66</b>
<b>Net book value</b>			
<b>At March 31, 2021</b>	<b>168.88</b>	-	<b>168.88</b>
At March 31, 2020	133.71	-	133.71
At April 01, 2019	95.25	-	95.25

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 5. RIGHT-TO-USE ASSETS

- (i) The Company's lease asset primarily consist of leases for land and buildings and Solar Power Plant of various lease terms. Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognized.

The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

- (ii) Set out below are the carrying amounts of right-to-use assets recognized and the movements during the year:

	Land	Solar Power Plant	Land and Building	Total
<b>Cost</b>				
At April 01, 2019	-	84.75	977.75	1,062.50
Add: Additions	-	205.84	1,175.17	1,381.01
<b>At March 31, 2020</b>	-	<b>290.59</b>	<b>2,152.92</b>	<b>2,443.51</b>
Adjustments*	546.52	-	-	546.52
<b>At March 31, 2021</b>	<b>546.52</b>	<b>290.59</b>	<b>2,152.92</b>	<b>2,990.03</b>
<b>Amortization</b>				
At April 01, 2019	-	-	-	-
Add: Amortization charge for the year	-	11.26	290.47	301.73
<b>At March 31, 2020</b>	-	<b>11.26</b>	<b>290.47</b>	<b>301.73</b>
Add: Amortization charge for the year	-	21.11	321.20	342.31
Adjustments*	68.96	-	-	68.96
<b>At March 31, 2021</b>	<b>68.96</b>	<b>32.37</b>	<b>611.67</b>	<b>713.00</b>
<b>Net book value</b>				
<b>At March 31, 2021</b>	<b>477.56</b>	<b>258.22</b>	<b>1,541.25</b>	<b>2,277.03</b>
<b>At March 31, 2020</b>	-	<b>279.33</b>	<b>1,862.45</b>	<b>2,141.78</b>
<b>At April 01, 2019</b>	-	<b>84.75</b>	<b>977.75</b>	<b>1,062.50</b>

\*Adjustment on account of Ind AS 116 "Leases", there is no impact on statement of profit and loss accounts.

- (iii) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021:

	Solar Power Plant	Land and Building	Total
<b>Cost</b>			
At April 01, 2019	84.75	977.75	1,062.50
Add: Additions	205.84	1,175.17	1,381.01
Add : Finance cost accrued during the year	1.08	131.31	132.39
Less: Payment of lease liabilities	(10.88)	(314.70)	(325.58)
<b>At March 31, 2020</b>	<b>280.79</b>	<b>1,969.53</b>	<b>2,250.32</b>
Add : Finance cost accrued during the year	6.33	155.79	162.12
Less: Payment of lease liabilities	(23.69)	(368.76)	(392.45)
<b>At March 31, 2021</b>	<b>263.43</b>	<b>1,756.56</b>	<b>2,019.99</b>
<b>Current</b>	<b>17.43</b>	<b>227.26</b>	<b>244.69</b>
<b>Non Current</b>	<b>246.00</b>	<b>1,529.30</b>	<b>1,775.30</b>

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

(iv) The weighted average incremental borrowing rate applied to lease liabilities as at April 01, 2019 is 8.66% p.a.

(v) The following are the amounts recognized in profit or loss:

	As at March 31, 2021	As at March 31, 2020
Depreciation expense of right-to-use assets	342.31	301.73
Interest expense on lease liabilities	162.12	132.39
Expense relating to short-term leases (included in other expenses)	138.19	157.50
<b>Total amount recognized in profit or loss</b>	<b>642.62</b>	<b>591.62</b>

(vi) The Company had total cash outflows for leases of ₹ 392.45 Lakhs for the year ended March 31, 2021 (March 31, 2020 ₹ 325.58 Lakhs).

(vii) **Extension and termination options** : Extension and termination options are included in property lease agreements. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. Extension and termination options held are exercisable only by the Company and not by the lessor. Extension options have not been included in the lease term as exercising this option is currently not reasonably certain.

(viii) **Variable lease payments** : Some property leases contain variable payment terms with payments that are based on actual expenses incurred by the lessor for operation and maintenance of the facility. These expenses could not be measured reliable as on the date of inception of the contract and hence have not been included in calculation of the lease liability. These expenses are charged to the statement of profit and loss as and when they are incurred.

(ix) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

### 6. INVESTMENT PROPERTY

	Freehold Land	Buildings	Total
<b>Gross carrying amount</b>			
At April 01, 2019	594.63	1,694.95	2,289.58
Additions / (Deductions)	-	-	-
<b>At March 31, 2020</b>	<b>594.63</b>	<b>1,694.95</b>	<b>2,289.58</b>
Additions / (Deductions)	-	-	-
<b>At March 31, 2021</b>	<b>594.63</b>	<b>1,694.95</b>	<b>2,289.58</b>
<b>Depreciation and Impairments</b>			
At April 01, 2019	-	416.25	416.25
Depreciation Charge for the year	-	57.41	57.41
<b>At March 31, 2020</b>	<b>-</b>	<b>473.66</b>	<b>473.66</b>
Depreciation Charge for the year	-	57.41	57.41
<b>At March 31, 2021</b>	<b>-</b>	<b>531.07</b>	<b>531.07</b>
<b>Net Block</b>			
<b>At March 31, 2021</b>	<b>594.63</b>	<b>1,163.88</b>	<b>1,758.51</b>
<b>At March 31, 2020</b>	<b>594.63</b>	<b>1,221.29</b>	<b>1,815.92</b>
<b>Fair Value of Investment Property</b>			
<b>At March 31, 2021</b>			<b>4,469.19</b>
<b>At March 31, 2020</b>			<b>4,466.67</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### i) Amount recognized in statement of profit and loss from investment property

	As at March 31, 2021	As at March 31, 2020
Rental Income derived from Investment properties	527.38	453.55
Direct operating expenses (including repairs and maintenance) arising from property that generated rental Income	(1.10)	(32.89)
<b>Profit arising from Investment property before depreciation and indirect expenses</b>	<b>526.28</b>	<b>420.66</b>
Depreciation	57.41	57.41
<b>Profit arising from Investment properties before indirect expenses</b>	<b>468.87</b>	<b>363.25</b>

#### ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

#### iii) Estimation of Fair Value

Fair value investment property is ascertained on the basis of market rates as determined by the independent registered valuer. Fair value hierarchy disclosures for investment properties have been provided in note 45.

#### iv) Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Technique
Land and Building situated at Plot No. 69, Bidadi Industrial area, 2nd Phase, Sector-2, Sy. No (s): Parts of 32, 56 to 59, Bidadi Hobli, Ramanagara Taluka, District Ramanagara, Bangalore, Karnataka - 562109. Land Area - 15484 sq mt Land Value - ₹ 1006.46 Lakhs Building built up area - 7132.15 sq mt Building Value - ₹ 1637.54 Lakhs Valuer Name: Vikrant Bhatia (Prop. Symmetrix- The Design Studio)	Market Rate
Land and Building situated at Plot No. 164, Sector-5, IMT Manesar Gurgaon-122050, Haryana. Land Area - 5400 sq mt Land Value - ₹ 1323 Lakhs Building built up area - 2487.41 sq mt Building Value - ₹ 502.19 Lakhs Valuer Name: Vikrant Bhatia (Prop. Symmetrix- The Design Studio)	Market Rate

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### 7. INVESTMENT IN SUBSIDIARIES AND A JOINT VENTURE

#### Details of Investment

	As at March 31, 2021	As at March 31, 2020
<b>- Investment in subsidiaries</b>		
<i>Unquoted , valued at cost</i>		
<b>Lumax Mannooh Allied Technologies Limited</b>	2.51	2.51
19.14 Lakhs (As at March 31, 2020 - 19.14 Lakhs) equity shares of ₹10 each fully paid up		
<b>Lumax Integrated Ventures Private Limited</b>	85.89	83.89
8.54 Lakhs (As at March 31, 2020 - 8.34 Lakhs) equity shares of ₹10 each fully paid up		
<b>Lumax Management Services Private Limited</b>	4,494.81	4,494.81
11.25 Lakhs (As at March 31, 2020 - 11.25 Lakhs) equity shares of ₹10 each fully paid up		
<b>Lumax Cornaglia Auto Technologies Private Limited</b>	840.71	840.71
34.19 Lakhs (As at March 31, 2020 - 34.19 Lakhs) equity shares of ₹10 each fully paid up		
<b>Lumax JOPP Allied Technologies Private Limited</b>	225.50	75.50
22.55 Lakhs (As at March 31, 2020 - 7.55 Lakhs) equity shares of ₹10 each fully paid up		
<b>Lumax Yokowo Technologies Private Limited</b>	21.00	1.00
2.10 Lakhs (As at March 31, 2020 - 0.10 Lakhs) equity shares of ₹10 each fully paid up		
<b>Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)</b>	1,201.92	418.80
99.47 Lakhs (As at March 31, 2020 - 24.73 Lakhs) equity shares of ₹10 each fully paid up		
<b>Lumax FAE Technologies Private Limited</b>	201.00	201.00
20.10 Lakhs (As at March 31, 2020 - 20.10 Lakhs) equity shares of ₹10 each fully paid up		
<b>- Investment in Joint venture</b>		
<i>Unquoted , valued at cost</i>		
<b>Lumax Ituran Telematics Private Limited</b>	129.60	93.00
12.96 Lakhs (As at March 31, 2020 - 9.30 Lakhs) equity shares of ₹10 each fully paid up		
<b>Total</b>	<b>7,202.94</b>	<b>6,211.22</b>

### 8. CURRENT/NON CURRENT TAX ASSETS/LIABILITIES - NET

	As at March 31, 2021	As at March 31, 2020
Non Current tax asset	-	78.99
Current tax liabilities	188.91	-
<b>Current tax liabilities (net)</b>	<b>188.91</b>	<b>-</b>
<b>Non Current tax assets (net)</b>	<b>-</b>	<b>78.99</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 9. INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
<b>A. Non Current Investments</b>		
<i>Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*</i>		
<b>Lumax Industries Limited</b>	8,436.49	4,554.64
5.25 Lakhs (As at March 31, 2020 - 5.25 Lakhs) equity shares of ₹ 10 each fully paid up		
<i>Investment in equity instruments (Unquoted)</i>		
<b>Lumax Ancillary Limited</b>	503.65	459.52
3.00 Lakhs (As at March 31, 2020 - 3.00 Lakhs) equity shares of ₹10 each fully paid up		
	<b>8,940.14</b>	<b>5,014.16</b>
<b>B. Current investments**</b>		
<i>Investment in Mutual funds</i>		
<b>SBI Liquid Fund Direct Growth</b>	2,993.29	268.67
0.93 Lakhs units (As at March 31, 2020 - 0.09 Lakhs units)		
<b>AXIS Liquid Fund Growth</b>	518.10	500.16
0.23 Lakhs units (As at March 31, 2020 - 0.23 Lakhs units)		
<b>SBI Saving Fund Direct Plan Growth</b>	514.73	-
15.05 Lakhs units (As at March 31, 2020 - NIL)		
<b>SBI Overnight Fund Direct Growth</b>	0.12	-
0.00004 Lakhs units (As at March 31, 2020 - NIL)		
<i>Investment in Equity Instruments</i>		
<b>AXIS Bank Limited</b>	-	45.48
NIL (As at March 31, 2020 - 0.12 Lakhs) equity shares of ₹2 each fully paid up		
<b>ICICI Bank Limited</b>	-	61.51
NIL (As at March 31, 2020 - 0.19 Lakhs) equity shares of ₹2 each fully paid up		
<b>Larsen &amp; Toubro Limited</b>	-	60.64
NIL (As at March 31, 2020 - 0.08 Lakhs) equity shares of ₹2 each fully paid up		
<b>Oil and Natural Gas Corporation Limited</b>	-	78.55
NIL (As at March 31, 2020 - 1.15 Lakhs) equity shares of ₹5 each fully paid up		
<b>Reliance Industries Limited</b>	8.67	72.39
0.004 Lakhs partly paid up (As at March 31, 2020 - 0.07 Lakhs fully paid up) equity shares of ₹10 each		
<b>State Bank of India</b>	-	43.31
NIL (As at March 31, 2020 - 0.22 Lakhs) equity shares of ₹1 each fully paid up		
	<b>4,034.91</b>	<b>1,130.70</b>
<b>Current</b>	<b>4,034.91</b>	<b>1,130.70</b>
<b>Non- current</b>	<b>8,940.14</b>	<b>5,014.16</b>
<b>Aggregate Market value of Quoted Investments (refer note 45)</b>	<b>12,471.40</b>	<b>5,685.34</b>
<b>Aggregate value of unquoted Investments (refer note 45)</b>	<b>503.65</b>	<b>459.52</b>

#### Non- current Investments

\*Investment in equity instrument where the business model of the Company is not for trading, the Company has opted for irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Other Comprehensive income (FVTOCI).

#### Current Investments

\*\*Investment in current investments, the Company has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Fair value through profit or loss (FVTPL).

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 10. LOANS

	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured and considered good unless otherwise stated)</b>		
<b>Non Current</b>		
<b>Loans</b>		
Loan to Employees	9.41	6.90
Security Deposit	481.69	464.26
<b>Total (A)</b>	<b>491.10</b>	<b>471.16</b>
<b>Current</b>		
<b>Loans</b>		
Loan to Employees	42.71	47.85
Loan to Subsidiary Company (refer note 50)	1,124.21	-
<b>Total (B)</b>	<b>1,166.92</b>	<b>47.85</b>
<b>Total (A+B)</b>	<b>1,658.02</b>	<b>519.01</b>
<b>Current</b>	<b>1,166.92</b>	<b>47.85</b>
<b>Non- current</b>	<b>491.10</b>	<b>471.16</b>

#### 11. OTHER FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured and considered good unless otherwise stated)</b>		
<b>Non- current</b>		
Deposits with remaining maturity for more than 12 months	-	150.00
<b>Total (A)</b>	<b>-</b>	<b>150.00</b>
<b>Current</b>		
Unbilled revenue*	1,151.78	-
Interest accrued but not due	49.81	117.14
Other recoverables**	50.81	154.73
<b>Total (B)</b>	<b>1,252.40</b>	<b>271.87</b>
<b>Total (A+B)</b>	<b>1,252.40</b>	<b>421.87</b>
<b>Current</b>	<b>1,252.40</b>	<b>271.87</b>
<b>Non- Current</b>	<b>-</b>	<b>150.00</b>

\* Includes ₹ 1151.78 Lakhs (March 31, 2020, ₹ Nil) computed on the basis of a price revision claim with customers who has confirmed the same.

\*\* Other recoverables included recoverable from Related Parties of ₹ 1.92 Lakhs (March 31, 2020, ₹ 2.70 Lakhs) (Also refer note 40)



## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### Break up of financial assets carried at amortized cost:

	As at March 31, 2021	As at March 31, 2020
Trade receivables (refer note 15)	17,954.69	16,484.89
Cash and cash equivalents (refer note 16)	162.26	3,114.93
Other Bank Balance (refer note 17)	6,268.82	4,516.05
Loans (refer note 10)	1,176.33	54.75
Other financial assets (refer note 11)	1,252.40	421.87
Security deposit (refer note 10)	481.69	464.26
<b>Total</b>	<b>27,296.19</b>	<b>25,056.75</b>

## 12. OTHER ASSETS

#### The details of other assets:

	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured, considered good, unless otherwise stated)</b>		
<b>Non- current</b>		
Advances for property, plant and equipment	61.75	409.19
Income tax refund receivable	618.85	511.49
Balances with statutory/government authorities*	668.59	436.46
Deposit under protest	0.78	0.78
<b>Total (A)</b>	<b>1,349.97</b>	<b>1,357.91</b>
<b>Current</b>		
Balance with statutory / government authorities	107.16	239.50
Advance to suppliers	910.26	935.00
Prepaid expenses	140.37	135.78
Export benefits receivable	5.39	-
Others advances	23.67	44.54
<b>Total (B)</b>	<b>1,186.85</b>	<b>1,354.82</b>
<b>Total (A+B)</b>	<b>2,536.82</b>	<b>2,712.73</b>
<b>Current</b>	<b>1,186.85</b>	<b>1,354.82</b>
<b>Non -current</b>	<b>1,349.97</b>	<b>1,357.91</b>

\*Balance with government authority includes the amount of subsidy claim receivable on the capital investment made by the Company in the state of Maharashtra.

## 13. ASSETS HELD FOR SALE

	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Assets held for sale**	-	366.22
<b>Total</b>	<b>-</b>	<b>366.22</b>
<b>Current</b>	<b>-</b>	<b>366.22</b>
<b>Non -current</b>	<b>-</b>	<b>-</b>

\*\* In the earlier years, the Company classified certain items of Property Plant and Equipment (which includes leasehold land and building at Ranjangaon, Maharashtra net value of which is ₹ 177.28 Lakhs and ₹ 188.94 Lakhs respectively) as held for sale which was recognized and measured in accordance with Ind-AS 105 "Non Current Assets Held for Sale and Discontinued operations" at lower of its carrying amount and the fair value less cost to sell. During the current year, the said assets have been sold and the Company has recognized profit on sale of assets of ₹ 221.78 Lakhs which is disclosed under other income.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 14. INVENTORIES

##### Details of inventories:

	As at March 31, 2021	As at March 31, 2020
<b>Raw materials (at cost)</b>	1,437.80	1,362.78
(includes material in transit ₹ 58.41 Lakhs (As at March 31, 2020 ₹ 74.06 Lakhs))		
<b>Work-in-progress (at cost)</b>	261.12	234.60
<b>Finished goods (at lower of cost and net realizable value)</b>	479.04	425.22
(includes sales in transit ₹ 219.05 Lakhs (As at March 31, 2020 ₹ 161.28 Lakhs))		
<b>Traded goods</b>	1,834.97	1,622.56
(includes goods in transit NIL (As at March 31, 2020 ₹ 74.00 Lakhs))		
Moulds	241.26	43.12
Stores and spares	241.02	275.69
<b>Total inventories, at the lower of cost and net realizable value</b>	<b>4,495.21</b>	<b>3,963.97</b>

#### 15. TRADE RECEIVABLES

##### a) Details of trade receivables:

	As at March 31, 2021	As at March 31, 2020
Trade receivables	14,551.80	11,156.72
Receivables from subsidiaries and joint ventures (refer note 40)	917.84	574.82
Receivables from other related parties (refer note 40)	2,485.05	4,753.34
<b>Total Trade receivables</b>	<b>17,954.69</b>	<b>16,484.89</b>

##### b) Break-up for security details:

	As at March 31, 2021	As at March 31, 2020
<b>Trade receivables</b>		
Secured, considered good	357.50	261.61
Unsecured, considered good	17,597.19	16,223.28
Trade receivable - credit impaired	128.16	156.08
<b>Total</b>	<b>18,082.85</b>	<b>16,640.97</b>
Impairment allowance for trade receivables - credit impaired	(128.16)	(156.08)
<b>Total</b>	<b>17,954.69</b>	<b>16,484.89</b>

c) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

d) Trade receivables are non-interest bearing and are generally on terms of not more than 30-90 days.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 16. CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- On current accounts	157.89	2,879.02
- Deposits with original maturity of less than 3 months	-	232.23
Cash on hand	4.37	3.67
<b>Total</b>	<b>162.26</b>	<b>3,114.93</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates.

#### 17. OTHER BANK BALANCES

	As at March 31, 2021	As at March 31, 2020
Other bank balances		
- Deposits having remaining maturity of more than 12 months	-	150.00
- Deposits with remaining maturity of more than 3 months but less than 12 months	6,247.66	4,493.51
- on unpaid dividend account *	21.16	22.54
<b>Total</b>	<b>6,268.82</b>	<b>4,666.05</b>
Less: Deposits having remaining maturity of more than 12 months disclosed under other financial assets (refer note 11)	-	150.00
<b>Total</b>	<b>6,268.82</b>	<b>4,516.05</b>

\* The Company can utilise the balance only towards settlement of unclaimed dividend.

For the purpose of the statement of cash flow, cash and cash equivalents comprise of the following:

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- On current accounts	157.89	2,879.02
- Deposits with original maturity of less than 3 months	-	232.23
Cash on hand	4.37	3.67
<b>Total</b>	<b>162.26</b>	<b>3,114.93</b>

Changes in liabilities arising from financing activities:

	As at April 01, 2020	Cash flows/Others	As at March 31, 2021
		Proceeds / (Repayment)	
Long term borrowings (including current maturities)	39.77	(6.17)	33.60
Short term borrowings	6,500.00	(3,016.30)	3,483.70
Lease liabilities	2,250.31	(230.32)	2,019.99
<b>Total liabilities from financing activities</b>	<b>8,790.08</b>	<b>(3,252.79)</b>	<b>5,537.29</b>

	As at April 01, 2019	Cash flows/Others	As at March 31, 2020
		Proceeds / (Repayment)	
Long term borrowings (including current maturities)	77.67	(37.90)	39.77
Short term borrowings	5,015.30	1,484.70	6,500.00
Lease liabilities	-	2,250.31	2,250.31
<b>Total liabilities from financing activities</b>	<b>5,092.97</b>	<b>3,697.11</b>	<b>8,790.08</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 18. SHARE CAPITAL

##### a) Details of share capital

	As at March 31, 2021	As at March 31, 2020
<b>Authorized share capital</b>		
1805.00 Lakhs (As at March 31, 2020 1805.00 Lakhs) equity shares of ₹ 2 each	3,610.00	3,610.00
	<b>3,610.00</b>	<b>3,610.00</b>
<b>Issued, subscribed and fully paid up capital</b>		
681.58 Lakhs (As at March 31, 2020 681.58 Lakhs) equity shares of ₹ 2 each	1,363.15	1,363.15
	<b>1,363.15</b>	<b>1,363.15</b>

##### b) Reconciliation of authorized share capital

	Equity Shares	
	No. of shares (in Lakhs)	Amount
As at April 01, 2019	1,805.00	3,610.00
Increase/(Decrease) during the year	-	-
As at March 31, 2020	1,805.00	3,610.00
Increase/(Decrease) during the year	-	-
<b>As at March 31, 2021</b>	<b>1,805.00</b>	<b>3,610.00</b>

##### c) Reconciliation of issued, subscribed and paid up share capital

	Equity Shares	
	No. of shares (in Lakhs)	Amount
<b>Equity shares of ₹ 2 each issued, subscribed and fully paid</b>		
As at April 01, 2019	681.58	1,363.15
Issued during the year	-	-
As at March 31, 2020	681.58	1,363.15
Issued during the year	-	-
<b>As at March 31, 2021</b>	<b>681.58</b>	<b>1,363.15</b>

##### d) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of any preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### e) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of shares (in Lakhs)	% holding in the equity shares	No. of shares (in Lakhs)	% holding in the equity shares
Equity shares of ₹ 2 (March 31, 2020 ₹ 2) each fully paid				
Mr Deepak Jain, Director	129.21	18.96%	99.52	14.60%
Mr Anmol Jain, Managing Director	129.18	18.95%	99.49	14.60%
Lumax Finance Private Limited	121.11	17.77%	121.11	17.77%
Albula Investment Fund Limited	61.58	9.04%	61.58	9.04%
D. K. Jain & Sons (HUF)	-	0.00%	59.31	8.70%

## 19. OTHER EQUITY

### Reconciliation of Other Equity

	Retained Earnings	Capital Reserve	Securities Premium	General Reserve	FVTOCI Reserve	Total
As at March 31, 2019	28,541.45	369.46	4,528.55	2,029.58	7,760.24	43,229.28
Profit for the year	5,952.67	-	-	-	-	5,952.67
Other comprehensive (loss) for the year (net of tax)	(40.64)	-	-	-	(5,064.66)	(5,105.30)
Less : Dividend Paid	(3,407.95)	-	-	-	-	(3,407.95)
Less : Dividend Distribution Tax Paid	(602.14)	-	-	-	-	(602.14)
<b>As at March 31, 2020</b>	<b>30,443.40</b>	<b>369.46</b>	<b>4,528.55</b>	<b>2,029.58</b>	<b>2,695.58</b>	<b>40,066.57</b>
Profit for the year	4,208.73	-	-	-	-	4,208.73
Other comprehensive income/(loss) for the year (net of tax)	(64.00)	-	-	-	3,918.32	3,854.32
Less : Dividend Paid	(681.58)	-	-	-	-	(681.58)
<b>As at March 31, 2021</b>	<b>33,906.55</b>	<b>369.46</b>	<b>4,528.55</b>	<b>2,029.58</b>	<b>6,613.90</b>	<b>47,448.05</b>

### Distributions made and proposed

	As at March 31, 2021	As at March 31, 2020
<b>Cash dividends on equity shares declared and paid</b>		
Final dividend for the year ended March 31, 2020 ₹ 1 per share (March 31, 2019 ₹ 3 per share)	681.58	2,044.80
Interim dividend for the year ended March 31, 2021 NIL (March 31, 2020 ₹ 2 per share)	-	1,363.15
Dividend Distribution Tax on dividend**	-	602.13
	<b>681.58</b>	<b>4,010.08</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### Distributions made and proposed

	As at March 31, 2021	As at March 31, 2020
<b>Proposed dividends on Equity shares *</b>		
Final cash dividend for the year ended March 31, 2021 ₹ 3 per Share (March 31, 2020: ₹ 1 per share)**	2,044.73	681.58

\* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at March 31, 2021.

\*\* With effect from April 01, 2020, the Dividend Distribution Tax ('DDT') payable by the Company under section 115-O of Income Tax Act was abolished and a withholding tax u/s 194A was introduced on the payment of dividend. As a result, dividend is now taxable in the hands of the recipient.

## 20. BORROWINGS

### a) Details of long term borrowings:

	As at March 31, 2021	As at March 31, 2020
<b>Long term maturities of finance lease obligation</b>		
Vehicle loan from banks (secured)*	33.60	39.77
Less: current maturity disclosed under other financial liabilities (refer note 25)		
- vehicle loan	(18.79)	(28.15)
<b>Total borrowings</b>	<b>14.81</b>	<b>11.62</b>
<b>Total non -current</b>	<b>14.81</b>	<b>11.62</b>
Aggregate secured loans	<b>33.60</b>	<b>39.77</b>
Aggregate unsecured loans	-	-

\* Vehicle loan amounting ₹ 33.60 Lakhs (Previous year ₹ 39.77 Lakhs) from banks at interest @ 8%-10% are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.

### b) Details of short term borrowings:

	As at March 31, 2021	As at March 31, 2020
<b>Loan repayable On Demand</b>		
Working capital loan repayable on demand*	3,000.00	6,500.00
On cash credit accounts**	483.70	-
<b>Total</b>	<b>3,483.70</b>	<b>6,500.00</b>

\* Working capital demand loan ₹ 2,000 Lakhs (March 31, 2020: NIL) from Bank is repayable in 180 days from respective drawdown and carries interest @ 6.15% per annum.

\* Working capital demand loan ₹ 1,000 Lakhs (March 31, 2020: ₹ 6,500 Lakhs) from financial institution is repayable in 180 days from respective drawdown and carries interest @ 6.90% per annum, pari- passu charged over the current assets of the Company.

\*\* Cash Credit ₹ 483.70 Lakhs (March 31, 2020: NIL) secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at Company's godown, factories and book debts along with receivables of the Company, both present and future and carries Interest @ 7.50% per annum.

#### Loan covenants

The Company has satisfied all debt covenants prescribed in the terms of bank loans. The other loans do not carry any debt covenant.

The Company has not defaulted on any loans payable.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 21. EMPLOYEE BENEFIT LIABILITIES

	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 38)	726.09	564.56
Provision for leave encashment	642.95	472.63
<b>Total</b>	<b>1,369.04</b>	<b>1,037.19</b>
<b>Current</b>	<b>1,369.04</b>	<b>1,037.19</b>
<b>Non- Current</b>	-	-

#### 22. INCOME TAX

##### (a) The major components of income tax expense for the years ended are:

###### Statement of profit and loss:

	As at March 31, 2021	As at March 31, 2020
<b>Current income tax:</b>		
Current income tax charge on Continuing operations	1,491.53	1,549.71
Current income tax charge on Discontinued Operations	-	123.29
Adjustments in respect of current income tax of previous year	(39.93)	(40.17)
<b>Deferred tax :</b>		
Relating to origination and reversal of temporary differences	(93.51)	(511.87)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,358.09</b>	<b>1,120.96</b>

##### (b) OCI section

###### Deferred tax related to items recognized in Other Comprehensive Income during the year:

	As at March 31, 2021	As at March 31, 2020
Tax effect on loss on remeasurements of defined benefit plans	8.60	13.67
Tax effect on (gain)/loss on financial assets	(7.66)	48.84
<b>Income tax charged to Other Comprehensive Income</b>	<b>0.94</b>	<b>62.51</b>

##### (c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020

	As at March 31, 2021	As at March 31, 2020
<b>Accounting profit before income tax for continuing operations</b>	<b>5,566.82</b>	<b>6,125.05</b>
<b>Accounting profit before income tax for discontinued operations</b>	<b>-</b>	<b>948.58</b>
Tax at the Indian Tax Rate	1,401.06	1,780.29
<b>Non-deductible expenses for tax purposes:</b>		
Exempt Income (Dividend Income exempt u/s 10(34))	(32.02)	(191.45)
Others	(8.29)	20.70
Tax rate change Impact	(2.66)	(488.58)
<b>At the effective income tax rate of 24.40% (March 31, 2020: 15.85%)</b>	<b>1,358.09</b>	<b>1,120.96</b>
<b>Income tax expense reported in the statement of profit and loss for continuing operations</b>	<b>1,358.09</b>	<b>997.67</b>
<b>Income tax expense reported in the statement of profit and loss for discontinued operations</b>	<b>-</b>	<b>123.29</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### d) Deferred tax:

	Balance sheet		Statement of profit and loss and OCI	
	As at March 31, 2021	As at March 31, 2020	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Deferred tax assets relates to the following:</b>				
Impact of expenditures charged to statement of profit and loss but allowed for tax purposes on payment basis	486.10	397.15	88.95	(61.13)
Impact of impairment allowance for doubtful debts	33.51	36.62	(3.11)	13.14
Deferred tax on Right to use asset (net)	59.02	27.36	31.66	27.36
Others	2.01	11.45	(9.44)	11.45
	<b>580.64</b>	<b>472.58</b>	<b>108.06</b>	<b>(9.18)</b>
<b>Deferred tax liability relates to the following:</b>				
Accelerated depreciation for tax purposes	1,607.85	1,647.92	(40.07)	(497.08)
Un-realized gain on Mutual Fund	28.87	(17.16)	46.03	(37.61)
	<b>1,636.72</b>	<b>1,630.76</b>	<b>5.96</b>	<b>(534.69)</b>
Re-measurement Gain/ (loss) on defined benefit plans			(8.60)	(13.67)
Deferred tax expense/(income) charged to statement of profit and loss			(93.51)	(511.87)
Deferred Gain/(loss) on financial assets	87.22	79.56	7.66	(48.84)
<b>Deferred tax expense/(income) charged to OCI and Profit and loss</b>			<b>(94.45)</b>	<b>(574.38)</b>
<b>Total deferred tax liability (Net)</b>	<b>1,143.30</b>	<b>1,237.74</b>		

## 23. OTHER LIABILITIES

### Details of other liabilities

	As at March 31, 2021	As at March 31, 2020
<b>Non Current</b>		
Lease Liabilities (right to use)	1,775.30	1,856.65
<b>Total (A)</b>	<b>1,775.30</b>	<b>1,856.65</b>
<b>Current</b>		
Statutory dues	639.88	516.27
Lease Liabilities	244.69	393.66
Advance from customers	186.12	90.00
Other liabilities (net) (refer note 48)	2,832.89	1,849.88
<b>Total (B)</b>	<b>3,903.58</b>	<b>2,849.80</b>
<b>Total (A+B)</b>	<b>5,678.88</b>	<b>4,706.45</b>
<b>Current</b>	3,903.58	2,849.80
<b>Non-current</b>	1,775.30	1,856.65



## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 24. TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
<b>A. Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises (refer note below for details of due to micro and small enterprises)	1,788.65	651.22
- Total outstanding dues of creditors other than micro enterprises and small enterprises	13,371.82	10,705.73
	<b>15,160.47</b>	<b>11,356.95</b>
Trade payables	13,760.37	9,025.45
Trade payables to related parties (refer note 40)	1,400.10	2,331.50
	<b>15,160.47</b>	<b>11,356.95</b>
<b>B. Other payables</b>		
- Other payables	1,021.48	905.73
<b>Total</b>	<b>16,181.95</b>	<b>12,262.68</b>

#### Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30 to 90 day terms
- Other payables are non-interest bearing and have an average term of 1 year

For explanations on the Company's credit risk management processes, refer note 46.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2021 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at March 31, 2021	As at March 31, 2020
Principal amount due to micro and small enterprises	1,788.65	651.22
Interest due on above	0.15	0.12
	<b>1,788.80</b>	<b>651.34</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
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 MSMED Act 2006.	10.31	28.35
The amount of interest accrued and remaining unpaid at the end of each accounting year.	50.40	40.09
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 25. OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
<b>Other financial liabilities at amortized cost</b>		
<b>Current</b>		
Current maturity of vehicle loan (refer note 20)	18.79	28.15
Amount payable for property, plant and equipment	399.81	359.36
Accrued salaries*	1,370.36	1,034.52
Unsecured deposits from customers	433.65	451.88
Unpaid dividends**	21.16	22.54
<b>Total</b>	<b>2,243.77</b>	<b>1,896.45</b>
<b>Current</b>	<b>2,243.77</b>	<b>1,896.45</b>
<b>Non- current</b>	-	-

\* Accrued Salaries includes payable to directors of ₹ 277.70 Lakhs (March 31, 2020: ₹ 223.90 Lakhs) (Also refer note 40)

\*\*Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. Accordingly, the Company has transferred ₹ 99,978 during the current year (March 31, 2020: ₹ 1,25,808) to the Investor Education and Protection Fund.

#### Breakup of financial liabilities at amortized cost:

	As at March 31, 2021	As at March 31, 2020
Borrowings non current (refer note 20)	14.81	11.62
Borrowings current (refer note 20)	3,483.70	6,500.00
Current maturity of vehicle loan (refer note 25)	18.79	28.15
Trade payables (refer note 24)	16,181.95	12,262.68
Accrued Salaries (refer note 25)	1,370.36	1,034.52
Unsecured deposits from customers (refer note 25)	433.65	451.88
Unpaid dividends (refer note 25)	21.16	22.54
Amount payable for property, plant and equipment (refer note 25)	399.81	359.36
<b>Total financial liabilities carried at amortized cost</b>	<b>21,924.23</b>	<b>20,670.75</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 26. REVENUE FROM CONTRACTS WITH CUSTOMERS

The details of revenue from operations is as follows:

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Sale of products</b>		
Finished goods (refer note 48)	67,658.49	71,690.63
Traded goods	21,710.07	20,729.27
<b>Total sale of products (A)</b>	<b>89,368.56</b>	<b>92,419.90</b>
<b>Sale of services (B)</b>	<b>678.26</b>	<b>890.32</b>
<b>Other operating revenue:</b>		
Scrap sale	93.06	113.51
Mould and tool sale	155.01	812.34
<b>Total other operating revenue (C)</b>	<b>248.07</b>	<b>925.85</b>
<b>Revenue from operations (A+B+C)</b>	<b>90,294.89</b>	<b>94,236.07</b>

#### 26.1 Contract Balances

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Trade Receivables	17,954.69	16,484.89

#### 27. OTHER INCOME

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Other non-operating income</b>		
Interest income		
- On fixed deposits	255.45	282.12
- Others	82.29	13.56
Discount received	57.58	110.10
Liabilities no longer required written back	86.18	191.77
Rental Income	712.73	718.86
Royalty Income	121.37	138.12
Dividend Income	127.22	760.70
Net change in fair value of investment in equity shares held at FVTPL	182.77	94.58
Government Grant	8.33	8.96
Gain on sale of fixed assets	221.32	16.51
Miscellaneous income	351.19	382.68
<b>Total</b>	<b>2,206.43</b>	<b>2,717.95</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 28. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Inventory at the beginning of the year	1,362.78	1,228.32
Add: Purchases	47,622.81	49,721.38
Less: Inventory at the end of the year	(1,437.80)	(1,362.78)
<b>Cost of raw materials and components consumed</b>	<b>47,547.79</b>	<b>49,586.92</b>

#### 28 (a) PURCHASE OF TRADED GOODS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Automotive Lamps/Components	15,861.99	15,484.12
<b>Purchase of Traded Goods</b>	<b>15,861.99</b>	<b>15,484.12</b>

#### 29. COST OF MOULDS CONSUMED

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Inventory at the beginning of the year	43.12	12.31
Add: Purchases made during the year	332.40	672.77
Less: Inventory at the end of the year	(241.26)	(43.12)
<b>Cost of moulds consumed</b>	<b>134.26</b>	<b>641.96</b>

#### 30. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Opening stock</b>		
- Finished goods	425.22	329.02
- Traded Goods	1,622.56	1,011.06
- Work-in progress	234.60	400.01
<b>Total (A)</b>	<b>2,282.38</b>	<b>1,740.09</b>
<b>Closing stock</b>		
- Finished goods	479.04	425.22
- Traded Goods	1,834.97	1,622.56
- Work-in progress	261.12	234.60
<b>Total (B)</b>	<b>2,575.13</b>	<b>2,282.38</b>
<b>Changes in inventories</b>		
- Finished Goods	(53.82)	(96.19)
- Traded Goods	(212.41)	(611.50)
- Work-in progress	(26.52)	165.41
<b>(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)</b>	<b>(292.75)</b>	<b>(542.28)</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 31. EMPLOYEE BENEFITS EXPENSE

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries, wages and bonus	8,638.85	8,643.11
Contributions to provident and other funds	349.86	328.97
Gratuity expense (refer note 38)	144.45	127.65
Staff welfare expense	457.91	492.57
<b>Total</b>	<b>9,591.07</b>	<b>9,592.30</b>

The Code on Social Security 2020 (Code), which received the Presidential Assent on September 28, 2020, subsumes nine laws relating to social security, retirement and employee benefits, including the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972. The effective date of the Code is yet to be notified and related rules are yet to be framed. The impact of the change, if any, will be assessed and recognized post notification of the relevant provisions.

#### 32. FINANCE COSTS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest on working capital	484.89	486.00
Interest paid to others	230.14	227.98
<b>Total</b>	<b>715.03</b>	<b>713.98</b>

#### 33. DEPRECIATION AND AMORTIZATION EXPENSE

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Depreciation of tangible assets (refer note 3)	2,061.68	2,282.40
Amortization of intangible assets (refer note 4)	47.74	53.15
Depreciation of investment property (refer note 6)	57.41	57.41
Amortization of right to use assets (refer note 5)	342.31	301.73
<b>Total</b>	<b>2,509.14</b>	<b>2,694.69</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 34. OTHER EXPENSES

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Freight and forwarding charges	1,621.29	1,578.01
Job work charges	1,612.29	1,704.62
Power and fuel	1,538.32	1,763.55
Consumables	955.43	1,031.90
Travelling and conveyance	252.47	620.25
Packing material consumed	808.78	813.38
Rent	138.19	157.50
Legal and professional fees	248.59	498.76
<b>Repairs and maintenance</b>		
- Plant and machinery	718.82	890.25
- Building	216.85	108.50
- Others	266.02	284.63
Communication cost	47.30	67.31
Bank Charges	12.07	19.23
Design, support and testing charges	71.87	50.75
Rates and taxes	105.54	201.31
Payment to auditors (refer details below)*	43.65	48.68
Insurance	120.22	126.61
CSR expenditure (refer details below)**	128.82	130.11
Printing and stationery	36.72	66.06
Advertisement and sales promotion	97.54	173.86
Director's sitting fees	13.60	23.20
Management fees	1,264.98	1,434.52
Exchange difference (net)	3.24	38.22
Provision for doubtful debts and advances	44.17	76.42
Outstanding balances written off	0.57	177.36
Royalty	96.00	60.00
Warranty	3.71	9.13
Miscellaneous expenses	400.92	503.17
<b>Total</b>	<b>10,867.97</b>	<b>12,657.28</b>

#### \*Payment to Auditor (excluding applicable taxes)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>As Auditor:</b>		
Audit Fee	30.75	35.75
Tax Audit Fee	1.75	1.75
Limited Review	9.00	9.00
<b>In other Capacity:</b>		
Certification fees	0.50	-
Reimbursement of expenses	1.65	2.18
<b>Total</b>	<b>43.65</b>	<b>48.68</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### \*\*Details of CSR expenditure:

		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
(a)	Gross amount required to be spent by the Company during the year	128.27	113.21
(b)	Amount approved by the Board to be spent during the year	128.27	113.21
(c)	Amount spent during the year ending on March 31, 2021:	<b>In Cash</b>	<b>Yet to be paid in Cash</b>
			<b>Total</b>
i)	Construction/acquisition of any asset	-	-
ii)	On purposes other than (i) above in cash	128.82	-
(d)	Amount spent during the year ending on March 31, 2020:	<b>In Cash</b>	<b>Yet to be paid in Cash</b>
			<b>Total</b>
i)	Construction/acquisition of any asset	-	-
ii)	On purposes other than (i) above in cash	130.11	-
(e)	Details related to spent / unspent obligations:	<b>For the Year Ended March 31, 2021</b>	<b>For the Year Ended March 31, 2020</b>
i)	Contribution to Public Trust	-	-
ii)	Contribution to Charitable Trust	128.82	130.11
iii)	Unspent amount in relation to:		
	Ongoing project	-	-
	Other than ongoing project	-	-
<b>In case of Section 135(5) Excess amount spent</b>			
	<b>Opening Balance</b>	<b>Amount required to be spent during the year</b>	<b>Amount spent during the year</b>
			<b>Closing Balance</b>
	-	128.27	128.82
			(0.55)

#### 35. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

##### The disaggregation of changes to OCI by each type of reserve in equity

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Re-measurement gains/ (losses) on defined benefit plans	(72.60)	(54.31)
Deferred tax thereon	8.60	13.67
Gain on FVTOCI equity securities	3,925.98	(5,113.50)
Deferred tax thereon	(7.66)	48.84
	<b>3,854.32</b>	<b>(5,105.30)</b>

#### 36. EARNINGS PER SHARE (EPS)

- a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

**c) The following reflects the income and share data used in the basic and diluted EPS computations:**

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Profit attributable to the equity holders of the Company</b>		
Continuing Operations	4,208.73	5,127.38
Discontinued Operations	-	825.29
<b>Profit attributable to the equity holders of the Company</b>	<b>4,208.73</b>	<b>5,952.67</b>
Weighted average number of equity shares for basic and diluted EPS (in Lakhs)	681.58	681.58
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Continuing Operations (₹)	6.17	7.52
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Discontinued Operations (₹)	-	1.21
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Continuing and Discontinued Operations (₹)	6.17	8.73

**d)** There has not been any transactions involving equity shares or potential equity shares between the reporting date and the date of authorization of these financial statements.

### 37. GROUP INFORMATION

**a) Information about subsidiaries and Joint Venture**

Name	Relationship	Principal activities	Country of incorporation	% Equity interest	
				March 31, 2021	March 31, 2020
Lumax Mannoh Allied Technologies Limited	Subsidiary	Manufacturing of Automobile Components	India	55%	55%
Lumax Integrated Ventures Private Limited	Subsidiary	Investment Company	India	100%	100%
Lumax Management Services Private Limited	Subsidiary	Service provider	India	100%	100%
Lumax Cornaglia Auto Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	50%	50%
Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)*	Subsidiary	Manufacturing of Automobile Components	India	100%	50%
Lumax FAE Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	51%	51%
Lumax JOPP Allied Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	50%	50%
Lumax Yokowo Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	100%	100%
Lumax Ituran Telematics Private Limited	Joint venture	Manufacturing of Automobile Components	India	50%	50%



## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### b) Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Principal activities	Country of incorporation	% Equity interest held by non-controlling parties	
			As at March 31, 2021	As at March 31, 2020
Lumax Mannoh Allied Technologies Limited	Manufacturing of Automobile Components	India	45%	45%
Lumax Cornaglia Auto Technologies Private Limited	Manufacturing of Automobile Components	India	50%	50%
Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Manufacturing of Automobile Components	India	-	50%
Lumax FAE Technologies Private Limited	Manufacturing of Automobile Components	India	49%	49%
Lumax JOPP Allied Technologies Private Limited	Manufacturing of Automobile Components	India	50%	50%

\* On October 15, 2020, the Holding Company has acquired balance stake from the JV partner, Gill Austem LLC in respect of Lumax Gill-Austem Auto Technologies Private Limited (Now Lumax Mettalics Private Limited)

#### 38. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company in the form of qualifying insurance policy.

##### a) Defined contribution plans

During the year, the Company has recognized the following amounts in the statement of profit and loss :

	March 31, 2021	March 31, 2020
Employer's contribution to provident fund	349.86	328.97
Employer's contribution to employee state insurance	20.05	22.20

##### b) Defined Benefit Obligation

The following tables summarize the components of net benefit expense recognized in the Statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
<b>Cost for the year included under employee benefit</b>		
Current service cost	104.95	97.36
Interest cost	33.52	28.27
Transfer in /out	5.98	2.02
<b>Net benefit expense</b>	<b>144.45</b>	<b>127.65</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### c) Amounts recognized in statement of other comprehensive income (OCI)

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
Opening amount recognized in OCI outside statement of profit and loss	30.56	(25.76)
Remeasurement for the year - Obligation (Gain) / Loss	75.46	54.31
Remeasurement for the year - Plan Assets (Gain) / Loss	(2.86)	2.00
Total remeasurement Cost / (Credit) for the year recognized in OCI	72.60	56.32
Closing amount recognized in OCI outside statement of profit and loss	103.16	30.56

#### d) Mortality table

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
<b>Mortality table</b>	IALM(2012-14) ult	IALM(2012-14) ult
<b>Economic assumptions</b>		
1 Discount rate	6.30%	6.20%
2 Rate of increase in compensation levels - for the first two years	8.00%	0.00%
- Thereafter	8.00%	8.00%
3 Rate of return on plan assets	6.20%	7.50%
<b>Demographic assumptions</b>		
1 Expected average remaining working lives of employees (years)	9.59	9.52
2 Retirement Age (years)	58 years	58 years
3 Mortality Rate	Indian Assured Lives Mortality (2012-14) ultimate	
<b>Withdrawal Rate</b>		
1 upto 30 years	8.00%	8.00%
2 Ages from 31-40	8.00%	8.00%
3 Ages from 41-50	8.00%	8.00%
4 Above 50 years	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

**e) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.**

**Gratuity**

	March 31, 2021	March 31, 2020
Benefit obligation as at the beginning of the year	955.29	786.03
Transfer in/(out)	5.98	1.01
Current service cost	104.95	97.36
Interest cost	57.13	57.49
Benefit paid	(76.74)	(40.90)
Actuarial loss/(gain)	75.46	54.31
<b>Gross Liability</b>	<b>1,122.07</b>	<b>955.29</b>

**f) Table showing changes in the fair value of plan assets :**

	March 31, 2021	March 31, 2020
Opening fair value of plan assets	390.73	404.25
Transfer in/(out)	-	(1.01)
Expected return on plan assets	23.61	29.21
Contribution made during the year	1.67	5.25
Benefits paid	(21.61)	(34.70)
Mortality charges	(1.28)	(10.26)
Actuarial gain on plan assets	2.86	(2.00)
<b>Closing fair Value of Plan asset</b>	<b>395.98</b>	<b>390.73</b>

**g) Benefit (asset) / liability :**

	March 31, 2021	March 31, 2020
Present value of defined benefit obligation	1,122.07	955.29
Fair value of plan assets	395.98	390.73
<b>Net (assets) / liability</b>	<b>726.09</b>	<b>564.56</b>

**h) Major category of plan assets (As a % of total plan assets)**

	March 31, 2021	March 31, 2020
Investment with the insurer	100%	100%

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

i) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 and March 31, 2020 is as shown below:

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
<b>A. Discount rate</b>		
Effect on DBO due to 1% increase in Discount rate	1,048.52	891.97
Effect on DBO due to 1% decrease in Discount rate	1,205.55	1,027.38
<b>B. Salary escalation rate</b>		
Effect on DBO due to 1% increase in Salary Escalation rate	1,190.21	1,014.37
Effect on DBO due to 1% decrease in Salary Escalation rate	1,060.56	901.91
<b>C. Withdrawal rate</b>		
Effect on DBO due to 1% increase in Withdrawal rate	1,115.91	951.68
Effect on DBO due to 1% decrease in Withdrawal rate	1,128.96	959.55

j) The expected benefit payments in future years is as follows:

	March 31, 2021	March 31, 2020
March 31, 2021	-	138.40
March 31, 2022	154.64	117.40
March 31, 2023	135.12	117.88
March 31, 2024	109.63	97.11
March 31, 2025	149.71	128.46
March 31, 2026	142.95	-
March 31, 2027 to March 31, 2031 (PY March 31, 2026 to March 31, 2030)	808.91	660.43

### 39. COMMITMENTS AND CONTINGENCIES

(a) Capital and other commitments

(1) Estimated amount of contracts remaining to be executed on capital account and not provided for:

Capital commitments are ₹ 181.29 Lakhs (As at March 31, 2020 ₹586.34 Lakhs), net of advances.

(2) Undrawn committed borrowing facility

The Company has availed fund based and non fund based working capital limits amounting to ₹ 14,100.00 Lakhs (March 31, 2020 : ₹ 12,700.00 Lakhs) from banks and financial institutions. An amount of ₹ 10,267.33 Lakhs remain undrawn as at March 31, 2021 (March 31, 2020 : ₹ 5400.08 Lakhs). Further, the limit availed is secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at Company's godown, factories and book debts along with receivables of the Company, both present and future.

(b) Contingent liabilities

	As at March 31, 2021	As at March 31, 2020
<b>Claims against the Company not acknowledged as debts</b>		
In respect of Assessment Year ("A.Y.") 2012 - 13, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to ₹ 11.85 Lakhs against which demand raised for tax amounting ₹ 3.85 Lakhs. The Company has preferred an appeal with Commissioner of Income Tax (Appeals) "CIT(A)" against the same. The Company has preferred an appeal with Income Tax Appellate Tribunal (ITAT) against order of CIT(A). During the year, the Company has received a favorable ITAT order.	-	3.85

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
In respect of A.Y. 2015 - 16, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 amounting to ₹ 8.11 Lakhs against which demand raised against the same amounting to ₹ 2.76 Lakhs. The Company has preferred an appeal with CIT(A) against the same and got rejected and further the Company filled appeal with ITAT.	2.76	2.76
In respect of A.Y. 2017-18, the CPC had served notice for adjustment u/s 143(1)(a)(iv) to the income of the Company on account of late deposit of PF and ESI amounting to ₹ 49.32 Lakhs based on wrong reporting of date of deposit by Tax Auditor in TAX Audit Report. The Company has filed Revised Return and Tax Auditor has filed Revised Tax Audit Report. The Company has received refund order from the Income tax department.	-	13.95
Demand from Employee State Insurance	0.90	0.90
The Company had received income tax order under Section 143(3) dated December 30, 2019 related to A.Y. 2018-19 on account of search and seizure operation for which company had received demand of ₹ 1033.28 Lakhs including interest u/s 234ABC in respect of above matter for which the Company had filed the appeal and rectification letter to income tax authorities. On June 07, 2021, the Company has received a favourable order in this regard from CIT(A). The management is confident that matter shall also be eventually settled in its favour and hence no provision is considered necessary.	1,033.28	1,033.28
During the previous year, the Company had received the show cause notice cum demand from the Assistant Commissioner of the goods and services tax, Nashik Aurangabad, alleging that the Company had availed the cenvat credit of ₹ 0.049 Lakhs twice on the same invoice one in the month of January 2017 and then again in the subsequent month. Furthermore, Company had also availed the cenvat credit of ₹ 0.98 Lakhs during the month of March 2017 and April 2017. Thus there was demand cum show cause notice of ₹ 1.03 Lakhs for inadmissible credit availed by the Company which was paid during the current year and the case was closed.	-	1.03
During the previous year, the Company had received demand cum show cause notice of ₹17.15 Lakhs from the assistance commissioner of goods and services tax alleging that the Company had availed the cenvat credit on the basis of invoices which are not fulfilling the particulars as specified under Rule 4A of the Service Tax Rules, 1994. The Company submitted the reply along with the relevant documents to the department and subsequently the case was dropped by the department in its order dated November 26, 2020.	-	17.15
During the previous year, the Company had received demand cum show cause Notice from the department alleged that the Company had availed the duty drawback on the basis of unrealized sale proceeds and thus the duty drawback of ₹ 19.24 Lakhs should be recovered from the Company against such shipping bills. The Company has filed the reply to the assistant commissioner of customs Inland Container Depot (ICD), Tughlakabad, dated February 07, 2020 against the above show cause notice where in the Company has surrendered the Duty Drawback of ₹ 0.52 Lakhs along with interest to the ICD, Tughlakabad, New Delhi.	19.24	19.24
During the year, the Company has received show cause Notice dated June 08, 2020 from the department alleged that the Company has availed the Excise Duty of ₹ 32.14 Lakhs on amortization of Drawing & Design sent by one of the customer of the Company on FOC basis.	32.14	-

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

- (c) The Company had entered into an agreement with the Bhosari Unit Workmen Union on September 13, 2003, vide which option for VRS was given to the workers of the Company. Accordingly, benefits under the said scheme were paid to 27 workmen who opted for the scheme. Out of these 27 workmen, 20 workmen later filed a case against the Company on the grounds of Unfair Labour Practices at the Labour court. The Court has passed an order in the favour of the workmen on June 26, 2019. Further, the Company has challenged the said order and filed revision application dated July 26, 2019 in the Industrial Court, Pune on the grounds that the said order is defective and bad at law. The Company is of the view, based on the advice of the case advocate, that the final outcome of the case would be in the favour of the Company and hence, no provision has been made in the books of accounts.
- (d) In regard to the bill discounting of invoices with bank by one of Company's vendor (Transporter), the bank had filed an application under Section 19 of the Recovery of Debts due to Banks and Financial Institution Act, 1993 before the Ld. DRT-II, Chandigarh for recovery of ₹ 999.76 Lakhs and interest thereon @ 13.75% p.a. from company, vendor and other parties. The Company and other parties including vendor has received an order dated February 25, 2019 from Debts Recovery Tribunal- II, Chandigarh for demanding the above amount jointly and severally. The Company has filed an appeal before Debt Recovery Appellate Tribunal (DRAT) dated March 13, 2020 against ₹ 782.24 Lakhs (decretal amount to which the Company is a defendant party) along with interest 13.75% p.a. and deposited 25% of decretal amount in current year. The Company is of the view, based on the advice of the case advocate, that the final outcome of the case would be in the favour of the Company and hence, no provision has been made in the books of accounts.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 40. RELATED PARTY DISCLOSURES

##### Names of related parties and related party relationship

S. No.	Relationship	Name of Related Parties
1	Subsidiary Companies	Lumax Mettalics Private Limited (Previously Lumax Gill Austem Auto Technologies Private Limited till November 08, 2020)
		Lumax FAE Technologies Private Limited
		Lumax Mannoh Allied Technologies Limited
		Lumax Integrated Ventures Private Limited
		Lumax Management Services Private Limited
		Lumax Cornaglia Auto Technologies Private Limited
		Lumax Jopp Allied Technologies Private Limited
		Lumax Yokowo Technologies Private Limited
2	Step down subsidiary companies (subsidiaries of Lumax Integrated Ventures Private Limited)	Lumax Energy Solutions Private Limited
		Velomax Mobility Private Limited
3	Joint Venture	Lumax Ituran Telematics Private Limited
4	Associate of Step down subsidiary (Associate of Lumax Integrated Ventures Private Limited)	Sipal Engineering Private Limited
5	Key Management Personnel	Mr D.K. Jain (Chairman)
		Mr Anmol Jain (Managing Director)
		Mr Ashish Dubey (CFO)
		Mr Anil Tyagi (Company Secretary)
6	Relatives of Key Management Personnel	Mr Deepak Jain ( Son of Mr D.K. Jain , Brother of Mr Anmol Jain)
		Mrs Shivani Jain ( Wife of Mr Anmol Jain )
		Mrs Poysha Goyal Jain (Wife of Mr Deepak Jain)
7	Non Executive Director	Mr Arun Kumar Malhotra
		Mr Avinash Parkash Gandhi
		Mr Kanchan Kumar Gandhi (Resigned w.e.f. Febraury 01, 2021)
		Mr Roop Salotra
		Mr Milap Jain
		Mrs Diviya Chanana
8	Enterprises owned or significantly influenced by Key Management Personnel and / or their relatives	Lumax Industries Limited
		Lumax Finance Private Limited
		Lumax Ancillary Limited
		Mahavir Udyog
		D.K. Jain & Sons (HUF)
		Bharat Enterprises
		D.K. Jain Family Trust
		Lumax Tours & Travels Limited
Lumax Charitable Foundation		

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>TRANSACTIONS</b>										
<b>Sale of Raw Materials and Components (Inclusive of taxes)</b>										
Lumax Industries Limited	-	-	-	-	39.74	73.18	-	-	39.74	73.18
Lumax Ancillary Limited	-	-	-	-	288.13	391.19	-	-	288.13	391.19
Lumax Metallics Private Limited	50.30	4.37	-	-	-	-	-	-	50.30	4.37
Lumax Cornaglia Auto Technologies Private Limited	2.93	1.51	-	-	-	-	-	-	2.93	1.51
Lumax Mannoh Allied Technologies Limited	7.24	138.92	-	-	-	-	-	-	7.24	138.92
Bharat Enterprises	-	-	-	-	0.34	1.39	-	-	0.34	1.39
<b>Total</b>	<b>60.47</b>	<b>144.80</b>	-	-	<b>328.21</b>	<b>465.76</b>	-	-	<b>388.68</b>	<b>610.56</b>
<b>Sale of Finished Goods (Inclusive of taxes)</b>										
Lumax Industries Limited	-	-	-	-	12,165.76	15,367.83	-	-	12,165.76	15,367.83
Lumax Ancillary Limited	-	-	-	-	877.91	805.13	-	-	877.91	805.13
Lumax Mannoh Allied Technologies Limited	726.44	791.79	-	-	-	-	-	-	726.44	791.79
Lumax Cornaglia Auto Technologies Private Limited	862.69	34.03	-	-	-	-	-	-	862.69	34.03
<b>Total</b>	<b>1,589.13</b>	<b>825.82</b>	-	-	<b>13,043.67</b>	<b>16,172.97</b>	-	-	<b>14,632.79</b>	<b>16,998.79</b>
<b>Sale-Others</b>										
Lumax Metallics Private Limited	0.71	-	-	-	-	-	-	-	0.71	-
<b>Total</b>	<b>0.71</b>	<b>-</b>	-	-	-	-	-	-	<b>0.71</b>	<b>-</b>
<b>Rent Received</b>										
Lumax Metallics Private Limited	205.62	266.53	-	-	-	-	-	-	205.62	266.53
Lumax Mannoh Allied Technologies Limited	326.11	296.46	-	-	-	-	-	-	326.11	296.46
Lumax Energy Solutions Private Limited	-	1.56	-	-	-	-	-	-	-	1.56
Lumax Tours & Travels Limited	-	-	-	-	6.20	7.08	-	-	6.20	7.08
Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	0.89	0.65	0.89	0.65
Lumax Industries Limited	-	-	-	-	270.89	246.11	-	-	270.89	246.11
Lumax JOPP Allied Technologies Private Limited	20.45	-	-	-	-	-	-	-	20.45	-
<b>Total</b>	<b>552.18</b>	<b>564.55</b>	-	-	<b>277.08</b>	<b>253.19</b>	<b>0.89</b>	<b>0.65</b>	<b>830.15</b>	<b>818.39</b>



## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Royalty Received</b>										
Lumax Mannoh Allied Technologies Limited	143.22	-	-	-	-	-	-	-	143.22	-
<b>Total</b>	<b>143.22</b>	-	-	-	-	-	-	-	<b>143.22</b>	-
<b>Interest Received</b>										
Lumax FAE Technologies Private Limited	56.31	-	-	-	-	-	-	-	56.31	-
<b>Total</b>	<b>56.31</b>	-	-	-	-	-	-	-	<b>56.31</b>	-
<b>Royalty Paid</b>										
Lumax Industries Limited	-	-	113.28	-	113.28	-	-	-	113.28	-
<b>Total</b>	-	-	-	-	<b>113.28</b>	-	-	-	<b>113.28</b>	-
<b>Loan given during the year</b>										
Lumax FAE Technologies Private Limited	1,018.90	-	-	-	-	-	-	-	1,018.90	-
<b>Total</b>	<b>1,018.90</b>	-	-	-	-	-	-	-	<b>1,018.90</b>	-
<b>Purchases of Raw Materials and Components</b>										
Bharat Enterprises	-	-	230.80	-	230.80	297.63	-	-	230.80	297.63
Lumax Industries Limited	-	-	-	-	2,060.82	1,105.38	-	-	2,060.82	1,105.38
Lumax Ancillary Limited	-	-	-	-	6,490.53	6,372.37	-	-	6,490.53	6,372.37
Lumax Metallics Private Limited	0.33	0.37	-	-	-	-	-	-	0.33	0.37
Lumax Energy Solutions Private Limited	-	0.26	-	-	-	-	-	-	-	0.26
Mahavir Udyog	-	-	-	-	3.42	0.62	-	-	3.42	0.62
Lumax Mannoh Allied Technologies Limited	19.89	22.67	-	-	-	-	-	-	19.89	22.67
<b>Total</b>	<b>20.22</b>	<b>23.30</b>	-	-	<b>8,785.57</b>	<b>7,776.00</b>	-	-	<b>8,805.79</b>	<b>7,799.30</b>
<b>Purchases of Finished Goods</b>										
Lumax Energy Solutions Private Limited	-	34.90	-	-	-	-	-	-	-	34.90
Lumax Cornaglia Auto Technologies Private Limited	6.65	8.79	-	-	-	-	-	-	6.65	8.79
Lumax Industries Limited	-	-	-	-	6,416.23	6,131.30	-	-	6,416.23	6,131.30
Lumax Ancillary Limited	-	-	-	-	1,374.94	1,572.61	-	-	1,374.94	1,572.61
<b>Total</b>	<b>6.65</b>	<b>43.69</b>	-	-	<b>7,791.17</b>	<b>7,703.91</b>	-	-	<b>7,797.82</b>	<b>7,747.60</b>

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Purchases of other</b>										
Lumax Industries Limited	-	-	-	-	4.69	3.12	-	-	4.69	3.12
Lumax Ancillary Limited	-	-	-	-	0.03	0.24	-	-	0.03	0.24
<b>Total</b>	-	-	-	-	<b>4.72</b>	<b>3.36</b>	-	-	<b>4.72</b>	<b>3.36</b>
<b>Purchase of Packing Material</b>										
Lumax Industries Limited	-	-	-	-	0.01	0.67	-	-	0.01	0.67
Lumax Ancillary Limited	-	-	-	-	-	0.26	-	-	-	0.26
Mahavir Udyog	-	-	-	-	1.27	19.92	-	-	1.27	19.92
<b>Total</b>	-	-	-	-	<b>1.28</b>	<b>20.85</b>	-	-	<b>1.28</b>	<b>20.85</b>
<b>Others - Reimbursement to/(from)</b>										
Bharat Enterprises	-	-	-	-	0.06	(0.28)	-	-	0.06	(0.28)
Lumax Industries Limited	-	-	-	-	17.39	70.62	-	-	17.39	70.62
Lumax Ancillary Limited	-	-	-	-	15.58	4.68	-	-	15.58	4.68
Lumax Energy Solutions Private Limited	-	90.21	-	-	-	-	-	-	-	90.21
Lumax Mannoh Allied Technologies Limited	(31.87)	(40.25)	-	-	-	-	-	-	(31.87)	(40.25)
Lumax Management Services Private Limited	(0.66)	13.05	-	-	-	-	-	-	(0.66)	13.05
Lumax Metallics Private Limited	(2770)	(32.03)	-	-	-	-	-	-	(2770)	(32.03)
Mahavir Udyog	-	-	-	-	(2.97)	-	-	-	(2.97)	-
Lumax Charitable Foundation	-	-	-	-	2.00	3.29	-	-	2.00	3.29
Lumax Finance Private Limited	-	-	-	-	-	(0.57)	-	-	-	(0.57)
Lumax Tours & Travels Limited	-	-	-	-	(2.82)	0.01	-	-	(2.82)	0.01
Lumax Cornaglia Auto Technologies Private Limited	-	0.06	-	-	-	-	-	-	-	0.06
Lumax JOPP Allied Technologies Private Limited	(1.94)	-	-	-	-	-	-	-	(1.94)	-
<b>Total</b>	<b>(62.18)</b>	<b>31.04</b>	-	-	<b>29.24</b>	<b>77.75</b>	-	-	<b>(32.94)</b>	<b>108.79</b>
<b>Availing of Services</b>										
Lumax Industries Limited	-	-	-	-	50.03	27.34	-	-	50.03	27.34
Lumax Tours & Travels Limited	-	-	-	-	8.86	153.44	-	-	8.86	153.44

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Lumax Management Services Private Limited	1,635.01	1,603.10	-	-	-	-	-	-	1,635.01	1,603.10
Lumax Ancillary Limited	-	-	-	-	22.00	20.77	-	-	22.00	20.77
Lumax Metallics Private Limited	14.28	19.09	-	-	-	-	-	-	14.28	19.09
Lumax Cornaglia Auto Technologies Private Limited	17.52	16.22	-	-	-	-	-	-	17.52	16.22
<b>Total</b>	<b>1,666.82</b>	<b>1,638.42</b>	-	-	<b>80.89</b>	<b>201.55</b>	-	-	<b>1,747.71</b>	<b>1,839.96</b>
<b>Rendering of Services</b>										
Lumax Ancillary Limited	-	-	-	-	3.06	0.15	-	-	3.06	0.15
Lumax Industries Limited	-	-	-	-	62.57	127.07	-	-	62.57	127.07
Bharat Enterprises	-	-	-	-	0.18	-	-	-	0.18	-
Lumax Metallics Private Limited	447.67	605.54	-	-	-	-	-	-	447.67	605.54
Lumax Mannoh Allied Technologies Limited	171.79	351.38	-	-	-	-	-	-	171.79	351.38
Lumax Tours & Travels Limited	-	-	-	-	-	2.25	-	-	-	2.25
Mahavir Udyog	-	-	-	-	0.38	7.25	-	-	0.38	7.25
Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	0.21	0.18	0.21	0.18
Lumax JOPP Allied Technologies Private Limited	0.16	48.71	-	-	-	-	-	-	0.16	48.71
<b>Total</b>	<b>619.62</b>	<b>1,005.64</b>	-	-	<b>66.19</b>	<b>136.72</b>	<b>0.21</b>	<b>0.18</b>	<b>686.02</b>	<b>1,142.54</b>
<b>Sale of Capital Goods</b>										
Lumax Industries Limited	-	-	-	-	-	2,661.55	-	-	-	2,661.55
Lumax Ancillary Limited	-	-	-	-	2.22	-	-	-	2.22	-
Lumax Metallics Private Limited	34.29	-	-	-	-	-	-	-	34.29	-
Lumax Cornaglia Auto Technologies Private Limited	72.56	0.32	-	-	-	-	-	-	72.56	0.32
<b>Total</b>	<b>106.85</b>	<b>0.32</b>	-	-	<b>2.22</b>	<b>2,661.55</b>	-	-	<b>109.07</b>	<b>2,661.87</b>
<b>Purchase of Capital Goods</b>										
Lumax Energy Solutions Private Limited	-	1.18	-	-	-	-	-	-	-	1.18
Lumax Management Services Private Limited	-	72.63	-	-	-	-	-	-	-	72.63
Lumax Industries Limited	-	-	-	-	531.91	-	-	-	531.91	-
<b>Total</b>	-	<b>73.81</b>	-	-	<b>531.91</b>	-	-	-	<b>531.91</b>	<b>73.81</b>

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2020	
<b>Rent Expense</b>										
Lumax Industries Limited	-	-	-	-	0.06	0.10	-	-	0.06	0.10
Mr D.K. Jain	-	-	31.61	33.44	-	-	-	-	31.61	33.44
<b>Total</b>	-	-	<b>31.61</b>	<b>33.44</b>	<b>0.06</b>	<b>0.10</b>	-	-	<b>31.66</b>	<b>33.54</b>
<b>CSR Expenditure</b>										
Lumax Charitable Foundation	-	-	-	-	126.30	130.11	-	-	126.30	130.11
<b>Total</b>	-	-	-	-	<b>126.30</b>	<b>130.11</b>	-	-	<b>126.30</b>	<b>130.11</b>
<b>Investment Made</b>										
Lumax Management Services Private Limited	-	582.50	-	-	-	-	-	-	-	582.50
Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	36.60	59.46	36.60	59.46
Lumax Industries Limited	-	-	-	-	3,881.85	-	-	-	3,881.85	-
Lumax integrated ventures Private Limited	2.00	2.00	-	-	-	-	-	-	2.00	2.00
Lumax Metallics Private Limited	783.12	-	-	-	-	-	-	-	783.12	-
Lumax Cornaglia Auto Technologies Private Limited	-	250.00	-	-	-	-	-	-	-	250.00
Lumax JOPP Allied Technologies Private Limited	150.00	75.50	-	-	-	-	-	-	150.00	75.50
Lumax Yokowo Technologies Private Limited	20.00	1.00	-	-	-	-	-	-	20.00	1.00
<b>Total</b>	<b>955.12</b>	<b>911.00</b>	-	-	<b>3,881.85</b>	-	<b>36.60</b>	<b>59.46</b>	<b>4,873.57</b>	<b>970.46</b>
<b>Managerial Remuneration</b>										
Mr Anmol Jain	-	-	79.93	152.70	-	-	-	-	79.93	152.70
Mr D.K. Jain	-	-	99.09	166.12	-	-	-	-	99.09	166.12
Mrs Shivani Jain	-	-	148.32	88.75	-	-	-	-	148.32	88.75
Mrs Poysha Goyal Jain	-	-	148.32	90.94	-	-	-	-	148.32	90.94
Mr Ashish Dubey	-	-	55.77	59.08	-	-	-	-	55.77	59.08
Mr Anil Tyagi	-	-	15.48	16.91	-	-	-	-	15.48	16.91
<b>Director Sitting Fees</b>										
Mr Arun Kumar Malhotra	-	-	2.78	3.60	-	-	-	-	2.78	3.60
Mr Avinash Parkash Gandhi	-	-	2.04	4.20	-	-	-	-	2.04	4.20

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Mr Kanchan Kumar Gandhi	-	-	1.20	2.80	-	-	-	-	1.20	2.80
Mr Roop Salotra	-	-	2.59	5.00	-	-	-	-	2.59	5.00
Mr Milap Jain	-	-	2.59	4.80	-	-	-	-	2.59	4.80
Mrs Diviya Chanana	-	-	1.48	2.80	-	-	-	-	1.48	2.80
<b>Total</b>	-	-	<b>559.59</b>	<b>597.70</b>	-	-	-	-	<b>559.59</b>	<b>597.70</b>
<b>Commission Paid</b>										
Mr Anmol Jain	-	-	114.10	110.02	-	-	-	-	114.10	110.02
Mr D.K. Jain	-	-	106.83	72.15	-	-	-	-	106.83	72.15
Mrs Shivani Jain	-	-	-	73.82	-	-	-	-	-	73.82
Mrs Poysha Goyal Jain	-	-	-	71.64	-	-	-	-	-	71.64
Mr Deepak Jain	-	-	56.77	59.73	-	-	-	-	56.77	59.73
<b>Total</b>	-	-	<b>277.70</b>	<b>387.36</b>	-	-	-	-	<b>277.70</b>	<b>387.36</b>
<b>Dividend Paid</b>										
Mr Anmol Jain	-	-	92.03	497.47	-	-	-	-	92.03	497.47
Mr Deepak Jain	-	-	92.06	497.62	-	-	-	-	92.06	497.62
D.K. Jain Family Trust	-	-	-	-	1.89	10.20	-	-	1.89	10.20
D.K. Jain & Sons (HUF)	-	-	-	-	54.92	296.54	-	-	54.92	296.54
Lumax Finance Private Limited	-	-	-	-	112.03	605.57	-	-	112.03	605.57
<b>Total</b>	-	-	<b>184.09</b>	<b>995.08</b>	<b>168.84</b>	<b>912.31</b>	-	-	<b>352.93</b>	<b>1,907.39</b>
<b>Dividend Received</b>										
Lumax Industries Limited	-	-	-	-	31.50	275.63	-	-	31.50	275.63
Lumax Mannoh Allied Technologies Limited	95.71	478.57	-	-	-	-	-	-	95.71	478.57
<b>Total</b>	<b>95.71</b>	<b>478.57</b>	-	-	<b>31.50</b>	<b>275.63</b>	-	-	<b>127.21</b>	<b>754.20</b>

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary and joint venture of step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>BALANCE AT THE YEAR END</b>										
<b>Receivables</b>										
Mahavir Udyog	-	-	-	-	-	3.00	-	-	-	3.00
Bharat Enterprises	-	-	-	-	-	0.46	-	-	-	0.46
Lumax Metallics Private Limited	363.45	58.91	-	-	-	-	-	-	363.45	58.91
Lumax Industries Limited	-	-	-	-	2,485.05	4,514.70	-	-	2,485.05	4,514.70
Lumax Ancillary Limited	-	-	-	-	-	233.17	-	-	-	233.17
Lumax Tours & Travels Limited	-	-	-	-	-	2.03	-	-	-	2.03
Lumax Mannoh Allied Technologies Limited	369.99	388.62	-	-	-	-	-	-	369.99	388.62
Lumax Cornaglia Auto Technologies Private Limited	184.40	19.27	-	-	-	-	-	-	184.40	19.27
<b>Total</b>	<b>917.84</b>	<b>466.80</b>	-	-	<b>2,485.05</b>	<b>4,753.34</b>	-	-	<b>3,402.89</b>	<b>5,220.15</b>
<b>Other Financial Assets</b>										
Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	0.09	0.44	0.09	0.44
Lumax JOPP Allied Technologies Private Limited	1.82	2.26	-	-	-	-	-	-	1.82	2.26
<b>Total</b>	<b>1.82</b>	<b>2.26</b>	-	-	-	-	<b>0.09</b>	<b>0.44</b>	<b>1.92</b>	<b>2.70</b>
<b>Loans</b>										
Lumax FAE Technologies Private Limited	1,124.21	105.32	-	-	-	-	-	-	1,124.21	105.32
<b>Total</b>	<b>1,124.21</b>	<b>105.32</b>	-	-	-	-	-	-	<b>1,124.21</b>	<b>105.32</b>
<b>Investment</b>										
Lumax Metallics Private Limited	1,201.92	418.80	-	-	-	-	-	-	1,201.92	418.80
Lumax Mannoh Allied Technologies Limited	2.51	2.51	-	-	-	-	-	-	2.51	2.51
Lumax Ancillary Limited	-	-	-	-	459.52	459.52	-	-	459.52	459.52
Lumax Industries Limited	-	-	-	-	8,436.49	4,554.64	-	-	8,436.49	4,554.64
Lumax Cornaglia Auto Technologies Private Limited	840.71	840.71	-	-	-	-	-	-	840.71	840.71
Lumax Management Services Private Limited	4,494.81	4,494.81	-	-	-	-	-	-	4,494.81	4,494.81

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Subsidiary and Step down subsidiary and joint venture of step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Lumax Integrated Ventures Private Limited	85.89	83.89	-	-	-	-	-	-	85.89	83.89
Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	129.60	93.00	129.60	93.00
Lumax FAE Technologies Private Limited	201.00	201.00	-	-	-	-	-	-	201.00	201.00
Lumax JOPP Allied Technologies Private Limited	225.50	75.50	-	-	-	-	-	-	225.50	75.50
Lumax Yokowo Technologies Private Limited	21.00	1.00	-	-	-	-	-	-	21.00	1.00
<b>Total</b>	<b>7,073.34</b>	<b>6,118.22</b>	<b>-</b>	<b>-</b>	<b>8,896.01</b>	<b>5,014.16</b>	<b>129.60</b>	<b>93.00</b>	<b>16,098.95</b>	<b>11,225.38</b>
<b>Payables</b>										
Bharat Enterprises	-	-	-	-	42.70	47.17	-	-	42.70	47.17
Lumax Ancillary Limited	-	-	-	-	1,037.38	1,452.44	-	-	1,037.38	1,452.44
Lumax Metallics Private Limited	-	1.21	-	-	-	-	-	-	-	1.21
Lumax Industries Limited	-	-	-	-	-	389.65	-	-	-	389.65
Lumax Tours & Travels Limited	-	-	-	-	1.53	6.34	-	-	1.53	6.34
Lumax Mannoh Allied Technologies Limited	-	7.13	-	-	-	-	-	-	-	7.13
Mahavir Udyog	-	-	-	-	0.76	-	-	-	0.76	-
Lumax Cornaglia Auto Technologies Private Limited	-	3.96	-	-	-	-	-	-	-	3.96
Lumax Management Services Private Limited	317.73	199.71	-	-	-	-	-	-	317.73	199.71
<b>Total</b>	<b>3177.3</b>	<b>212.00</b>	<b>-</b>	<b>-</b>	<b>1,082.37</b>	<b>1,895.60</b>	<b>-</b>	<b>-</b>	<b>1,400.10</b>	<b>2,107.60</b>
<b>Other Financial Liabilities</b>										
Mr Anmol Jain	-	-	114.10	101.02	-	-	-	-	114.10	101.02
Mr D.K. Jain	-	-	106.83	72.15	-	-	-	-	106.83	72.15
Mr Deepak Jain	-	-	56.77	50.73	-	-	-	-	56.77	50.73
<b>Total</b>	<b>-</b>	<b>-</b>	<b>277.70</b>	<b>223.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>277.70</b>	<b>223.90</b>

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### 41. FINAL DIVIDEND

The Board of Directors of the Company has passed the resolution on June 12, 2021 for declaration of dividend @ 150% i.e. ₹ 3 per equity share of face value of ₹ 2 each [March 31, 2020 @150% i.e. ₹ 3 per equity share of face value of ₹ 2 each (included @ 100% interim Dividend i.e. ₹ 2 each paid)].

### 42. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 38.



## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 43. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, all equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

	As at March 31, 2021	As at March 31, 2020
Borrowings including current maturities of long term borrowing (refer note 20)	33.60	39.77
Payable for purchase of fixed assets (refer note 25)	399.81	359.36
<b>Net debts</b>	<b>433.41</b>	<b>399.13</b>
<b>Capital components</b>		
Equity Share capital	1,363.15	1,363.15
Other equity	47,448.05	40,066.57
<b>Total equity</b>	<b>48,811.20</b>	<b>41,429.72</b>
Capital and net debt	49,244.61	41,828.85
<b>Gearing ratio (%)</b>	<b>0.88%</b>	<b>0.95%</b>

#### 44. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

##### a) Fair value of financial assets:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Financial assets measured at fair value</b>				
Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*	8,436.49	4,554.64	8,436.49	4,554.64
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	503.65	459.52	503.65	459.52
Investments in Quoted short term investments valued at fair value	4,034.91	1,130.70	4,034.91	1,130.70
<b>Total</b>	<b>12,975.05</b>	<b>6,144.86</b>	<b>12,975.05</b>	<b>6,144.86</b>
<b>Financial Instruments where carrying amounts that are reasonable approximations of fair values:</b>				
Trade receivables	17,954.69	16,484.89	17,954.69	16,484.89
Cash and cash equivalents	162.26	3,114.93	162.26	3,114.93
Other Bank balances	6,268.82	4,516.05	6,268.82	4,516.05
Deposits with remaining maturity for more than 12 months from the reporting date	-	150.00	-	150.00
Loan to employees	52.12	54.75	52.12	54.75

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Security deposit	481.69	464.26	481.69	464.26
Interest accrued but not due	49.81	117.14	49.81	117.14
Other recoverables	50.81	154.73	50.81	154.73
Unbilled Revenue	1,151.78	-	1,151.78	-
Loan to Subsidiary Company	1,124.21	-	1,124.21	-
<b>Total</b>	<b>27,296.19</b>	<b>25,056.75</b>	<b>27,296.19</b>	<b>25,056.75</b>

#### b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Financial liabilities measured at amortized cost</b>				
Borrowings non current	14.81	11.62	14.81	11.62
Borrowings current	3,483.70	6,500.00	3,483.70	6,500.00
Current maturity of vehicle loan	18.79	28.15	18.79	28.15
Trade payables	16,181.95	12,262.68	16,181.95	12,262.68
Accrued Salaries	1,370.36	1,034.52	1,370.36	1,034.52
Unsecured deposits from customers	433.65	451.88	433.65	451.88
Unpaid dividends	21.16	22.54	21.16	22.54
Amount payable for property, plant and equipment	399.81	359.36	399.81	359.36
<b>Total</b>	<b>21,924.23</b>	<b>20,670.75</b>	<b>21,924.23</b>	<b>20,670.75</b>

\* The fair values of the FVTOCI financial assets are derived from quoted market prices in active markets.

Management has assessed that remaining financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 45. FAIR VALUE HIERARCHY

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

#### a) Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value</b>				
<b>Quoted equity shares</b>				
Investments in equity instruments of other entities (at fair value through other comprehensive income)	8,436.49	8,436.49	-	-
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	503.65	-	503.65	-
Investments in Quoted short term investments valued at fair value	4,034.91	4,034.91	-	-
<b>Others</b>				
Trade receivables	17,954.69	-	-	17,954.69
Cash and cash equivalents	162.26	-	-	162.26
Other Bank balances	6,268.82	-	-	6,268.82
Loan to employees	52.12	-	-	52.12
Security deposit	481.69	-	-	481.69
Interest accrued but not due	49.81	-	-	49.81
Other recoverables	50.81	-	-	50.81
Unbilled Revenue	1,151.78	-	-	1,151.78
Loan to Subsidiary Company	1,124.21	-	-	1,124.21
Investment properties	1,758.51	-	1,758.51	-
<b>Total</b>	<b>42,029.75</b>	<b>12,471.40</b>	<b>2,262.16</b>	<b>27,296.19</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### b) Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2021:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at fair value</b>				
Borrowings non current	14.81	-	-	14.81
Borrowings current	3,483.70	-	-	3,483.70
Lease Liabilities (right-to-use)	2,019.99	-	-	2,019.99
Current maturity of vehicle loan	18.79	-	-	18.79
Trade payables	16,181.95	-	-	16,181.95
Accrued Salaries	1,370.36	-	-	1,370.36
Unsecured deposits from customers	433.65	-	-	433.65
Unpaid dividends	21.16	-	-	21.16
Amount payable for property, plant and equipment	399.81	-	-	399.81
<b>Total</b>	<b>23,944.22</b>	<b>-</b>	<b>-</b>	<b>23,944.22</b>

#### c) Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value</b>				
<b>Quoted equity shares</b>				
Investments in equity instruments of other entities (at fair value through other comprehensive income)	4,554.64	4,554.64	-	-
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	459.52	-	459.52	-
Investments in Quoted short term investments valued at fair value	1,130.70	1,130.70	-	-
<b>Others</b>				
Investment properties	1,815.92	-	1,815.92	-
Deposits with remaining maturity for more than 12 months from the reporting date	150.00	-	-	150.00
Trade receivables	16,484.89	-	-	16,484.89
Cash and cash equivalents	3,114.93	-	-	3,114.93
Other bank balance	4,516.05	-	-	4,516.05
Loan to employees	54.75	-	-	54.75
Security deposit	464.26	-	-	464.26
Interest accrued but not due	117.14	-	-	117.14
Other recoverables	154.73	-	-	154.73
<b>Total</b>	<b>33,017.53</b>	<b>5,685.34</b>	<b>2,275.44</b>	<b>25,056.75</b>

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### d) Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2020:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at fair value</b>				
Borrowings non current	11.62	-	-	11.62
Borrowings current	6,500.00	-	-	6,500.00
Lease Liabilities (right-to-use)	2,250.31	-	-	2,250.31
Current maturity of vehicle loan	28.15	-	-	28.15
Trade payables	12,262.68	-	-	12,262.68
Accrued Salaries	1,034.52	-	-	1,034.52
Unsecured deposits from customers	451.88	-	-	451.88
Unpaid dividends	22.54	-	-	22.54
Amount payable for property, plant and equipment	359.36	-	-	359.36
<b>Total</b>	<b>22,921.06</b>	-	-	<b>22,921.06</b>

#### 46. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade and other payables, borrowings, security deposits and payables for property, plant and equipment. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash, fixed deposits and security deposits that derive 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 is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management 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 agrees policies for managing each of these risks, which are summarized below.

##### A. 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 instrument effected by market risk include loans and borrowings, deposits, FVTOCI instrument.

The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2021. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020 including the effect of hedge accounting.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### i) 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. The Company's interest bearing financial liabilities includes borrowings with fixed interest rates.

The Company's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### ii) 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 Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

#### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Exposure gain/(loss)	As at March 31, 2021		As at March 31, 2020	
	Change	Change	Change	Change
	+1%	-1%	+1%	-1%
Trade Payable	(3.15)	3.15	(1.62)	1.62
Trade Receivable	1.59	(1.59)	0.50	(0.50)

#### iii) Equity Price Risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Companies Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was ₹ 8,436.49 Lakhs. A decrease of 10% on the NSE market index could have an impact of approximately ₹ 843.65 Lakhs on the OCI or equity attributable to the Company. An increase of 10% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

## B. Credit risk

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.

#### Trade receivables

Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable). The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

## Notes to Standalone financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Further, the Company's customer base majorly includes Original Equipment Manufacturers (OEMs), Large Corporates and Tier-1 vendors of OEMs. Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts. Hence, no adjustment has been made on account of Expected Credit Loss (ECL) model.

#### C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

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

As at March 31, 2021	On Demand	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	3,483.70	-	14.81	-	3,498.51
Trade and other payables	16,181.95	-	-	-	16,181.95
Other financial liabilities	-	2,243.77	-	-	2,243.77
<b>Total</b>	<b>19,665.65</b>	<b>2,243.77</b>	<b>14.81</b>	-	<b>21,924.23</b>

As at March 31, 2020	On Demand	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	6,500.00	-	11.62	-	6,511.62
Trade and other payables	12,262.68	-	-	-	12,262.68
Other financial liabilities	-	1,896.45	-	-	1,896.45
<b>Total</b>	<b>18,762.68</b>	<b>1,896.45</b>	<b>11.62</b>	-	<b>20,670.75</b>

**47.** The management has analysed that no significant warranty claim is received by the Company in earlier years against the goods manufactured by the Company and further, the seller of traded goods warrants the Company that products will be free from defects in materials and workmanship under normal use and service and agrees to replace any defective parts under the conditions of standard warranty accompanying the products. Therefore, the Company has not made any provision for warranties and claims in its books of accounts for the year ended March 31, 2021.

**48.** Revenue is measured by the Company at the transaction price i.e. amount of consideration received/ receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of products, the Company considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors. Accordingly, revenue for the current year is net of price differences.

**49.** During the year, the Company has acquired a balance stake from the JV partner, Gill Austem LLC in respect of Lumax Gill Austem Auto Technologies Private Limited (Now Lumax Mettalics Private Limited), hence it has been considered as wholly owned subsidiary of the Company.

## Notes to Standalone financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### 50. DISCLOSURE REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

Name of Entity	Rate of Interest	Opening	Loan Given	Loan Repaid	Outstanding Balance	Purpose
Lumax FAE Technologies Private Limited	8.75%	105.31	1,018.90	-	1,124.21	Towards equity contribution and General Purpose

51. The Company's business activity falls within a single business segment i.e. manufacturing and trading of Automotive Components and therefore, segment reporting in terms of Ind-AS 108 on Segmental Reporting is not applicable.

52. World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Company temporarily suspended the operations in all the units of the Company in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. during the lock-down period which has been extended till May 17, 2020, However, production and supply of goods has commenced during the year ended March 31, 2021 on various dates at all the manufacturing locations of the Company. Accordingly, sales and profits for the quarter and year ended March 31, 2021 has been impacted and therefore, the results of this year ended are not comparable to previous corresponding year results. Second wave of COVID-19 has also impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities, etc.

The Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643



# Independent Auditor's Report

To the Members of Lumax Auto Technologies Limited

## REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying consolidated financial statements of Lumax Auto Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint ventures comprising of the consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint ventures as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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

Consolidated Financial Statements' section of our report. We are independent of the Group, joint ventures 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 statements under the provisions of the Act 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 audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

## Independent Auditor's Report (Contd.)

Key audit matters	How our audit addressed the key audit matter
<p><b>Various pricing liabilities and its impact on recognition on revenue</b> (as described in note 50 of the Consolidated financial statements)</p> <p>Revenue is measured by the Group at the transaction price i.e. amount of consideration received/receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of products, the Holding Company considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors.</p> <p>The Holding Company business requires passing on these credits to the customers once negotiations are finally settled for the sales made by the Holding Company during the year. The estimated liabilities based on various negotiation documents/considerations at year end are disclosed in note 50 to the consolidated financial statements and the consequential impact on revenue is disclosed in note 50 to the consolidated financial statements.</p> <p>We have considered this as a key audit matter on account of the significant judgement involved in estimation of price adjustments to be recorded as at the year end.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Assessed the Holding Company's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115.</li> <li>Obtained an understanding of the revenue process, and the assumptions used by the management in the process of estimation of price adjustments as per the customer contracts, evaluated design, and implementation of controls, validation of management review controls and tested the operating effectiveness of controls relating to accrual of price adjustments.</li> <li>Evaluated management's methodology and assumptions used in estimation of price adjustments as per customer contracts including the relevance and reliability of underlying historical data, developments during the year and assumptions used.</li> <li>Tested completeness, the arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts.</li> <li>Performed procedures to verify that all transactions relating to accrual of price adjustments that should have been recorded have been recorded.</li> <li>Tested, on sample basis, credit notes issued and payments made as per customer contracts/ agreed price negotiations</li> <li>Performed analytical procedures to identify any unusual trends and identify unusual items for further testing.</li> </ul>

### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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 for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and joint ventures and for preventing

## Independent Auditor's Report (Contd.)

and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint ventures are responsible for assessing the ability of the Group and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and joint ventures are also responsible for overseeing the financial reporting process of the Group and joint ventures.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements 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 ability of the Group and joint ventures 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 consolidated 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 Group and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

## Independent Auditor's Report (Contd.)

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements for the financial year ended March 31, 2021 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.

### Other Matter

(a) We did not audit the financial statements and other financial information, in respect of six subsidiaries, whose financial statements include total assets of ₹ 22,927 lakhs as at March 31, 2021, and total income of ₹ 16,397 lakhs and net cash (inflows) of ₹ (648.64 lakhs) for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net (loss) of ₹ (9.33 lakhs) for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of one joint venture and one joint venture of subsidiary Company, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We and the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies and joint ventures, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls with

## Independent Auditor's Report (Contd.)

reference to consolidated financial statements of the Holding Company and its subsidiary companies and joint ventures, incorporated in India, refer to our separate Report in "Annexure 1" to this report;

- (g) In our opinion the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Holding Company and one of its subsidiary to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Further, this clause does not apply to the remaining seven subsidiaries and joint ventures of the Company.
- (h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint ventures

in its consolidated financial statements – refer note 40(b) to the consolidated financial statements;

- ii. The Group and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures, incorporated in India during the year ended March 31, 2021.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 21094421AAAACL2156

Place of Signature: New Delhi

Date: June 12, 2021

## **Annexure 1 To the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Lumax Auto Technologies Limited**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")**

In conjunction with our audit of the consolidated financial statements of Lumax Auto Technologies Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , and its joint ventures, which are companies incorporated in India, as of that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the companies included in the Group and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 the respective 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 Companies Act, 2013.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by 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 with reference to consolidated financial statements was 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

A company's internal financial control with reference to consolidated 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 consolidated financial statements 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

## Annexure 1 To the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Lumax Auto Technologies Limited (Contd.)

or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated 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, the Group and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these six subsidiaries and one joint ventures and one joint venture of subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India. Further, the auditors of three subsidiaries and one joint venture company have not issued report on adequacy and operating effectiveness of the internal control over financial reporting as they are of view that these companies are exempt with respect to reporting requirement on internal financial control over financial reporting vide MCA notification no. G.S.R. 583(E) dated June 13, 2017 hence, the same is not covered by us in our report on internal financial controls over financial reporting.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 21094421AAAAACL2156

Place of Signature: New Delhi

Date: June 12, 2021

# Consolidated Balance Sheet

As at March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>I. Non-current assets</b>			
Property, plant and equipment	3(a)	33,153.91	30,742.38
Capital work in progress	3(b)	932.86	2,074.02
Intangible assets	4	333.06	195.12
Goodwill	4	16.64	16.64
Right-to-use assets	5	2,810.32	2,733.67
Investment property	6	1,758.51	1,815.92
Investment in Joint ventures	7	102.45	75.17
Income tax assets(net)	8	46.13	322.02
Financial assets			
- Investments	9	8,940.14	5,014.16
- Loans	10	623.37	581.11
- Other financial assets	11	-	150.00
Deferred tax assets (net)	12	8.54	99.92
Other non-current assets	13	1,566.74	1,660.04
<b>Total non current assets</b>	<b>(A)</b>	<b>50,292.67</b>	<b>45,480.17</b>
<b>II. Current assets</b>			
Inventories	15	8,358.76	6,442.61
Financial assets			
- Investments	9	4,034.91	1,130.70
- Loans	10	60.08	81.32
- Trade receivables	16	22,298.19	19,277.49
- Cash and cash equivalents	17	1,665.77	3,695.76
- Other bank balances	18	8,130.47	6,666.05
- Other financial assets	11	1,267.65	195.30
Other current assets	13	2,857.37	2,793.82
		<b>48,673.20</b>	<b>40,283.05</b>
Assets classified as held for sale	14	-	366.22
<b>Total current assets</b>	<b>(B)</b>	<b>48,673.20</b>	<b>40,649.27</b>
<b>Total Assets</b>	<b>(A+B)</b>	<b>98,965.87</b>	<b>86,129.44</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
Equity share capital	19	1,363.15	1,363.15
Other equity	20	51,708.74	43,252.61
<b>Total equity</b>	<b>(A)</b>	<b>53,071.89</b>	<b>44,615.76</b>
<b>Non controlling interest</b>		<b>4,036.62</b>	<b>4,214.07</b>
<b>Liabilities</b>			
<b>II. Non-current liabilities</b>			
Financial liabilities			
- Borrowings	21	552.42	1,676.23
Other non-current liabilities	23	1,868.26	2,135.46
Employee benefit Liabilities	22	630.65	545.55
Deferred tax liabilities (net)	12	1,405.82	1,372.26
<b>Total Non Current Liabilities</b>	<b>(B)</b>	<b>4,457.15</b>	<b>5,729.50</b>
<b>III. Current liabilities</b>			
Financial liabilities			
- Borrowings	21	4,684.45	7,152.41
- Trade payables	24		
- total outstanding dues of micro and small enterprises		2,285.71	885.97
- total outstanding dues of creditors other than micro and small enterprises		18,192.88	14,853.38
- Other financial liabilities	25	5,256.70	3,916.15
Employee benefit Liabilities	22	1,544.01	1,188.27
Other current liabilities	23	5,169.38	3,573.93
Current tax liabilities (Net)	8	267.08	-
<b>Total Current Liabilities</b>	<b>(C)</b>	<b>37,400.21</b>	<b>31,570.11</b>
<b>Total Liabilities</b>		<b>41,857.36</b>	<b>37,299.61</b>
<b>Total Equity and Liabilities</b>	<b>(A+B+C)</b>	<b>98,965.87</b>	<b>86,129.44</b>

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of  
**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643



# Consolidated Statement of Profit & Loss

For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Continuing Operations</b>			
<b>I</b> Revenue from contracts with customers	26	1,10,792.85	1,14,091.38
<b>II</b> Other income	27	1,818.47	1,810.15
<b>III Total income</b>		<b>1,12,611.32</b>	<b>1,15,901.53</b>
<b>IV Expenses</b>			
Cost of raw material and components consumed	28	58,522.41	60,082.54
Cost of moulds consumed	29	1,151.02	1,987.73
Purchases of traded goods	28(a)	15,861.99	15,484.12
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	30	(461.17)	(315.60)
Employee benefits expense	31	13,240.56	13,477.81
Finance costs	32	982.17	956.24
Depreciation and amortization expense	33	3,415.14	3,450.92
Other expenses	34	12,676.66	14,279.39
<b>V Total expenses</b>		<b>1,05,388.78</b>	<b>1,09,403.15</b>
<b>VI Profit before share of joint ventures, exceptional items and tax from continuing operations (III-V)</b>		<b>7,222.54</b>	<b>6,498.38</b>
<b>VII</b> Share of (loss) of Joint Ventures		<b>(9.33)</b>	<b>(30.10)</b>
<b>VIII Profit before exceptional items and tax from continuing operations</b>		<b>7,213.21</b>	<b>6,468.28</b>
Exceptional Item	35	(63.00)	-
<b>IX Profit before tax from continuing operations</b>		<b>7,150.21</b>	<b>6,468.28</b>
<b>X Tax expense:</b>			
Current tax	12	1,958.93	1,988.12
Adjustment of tax relating to earlier years	12	(49.23)	(50.01)
Deferred tax	12	125.10	(570.27)
<b>Total tax expense</b>		<b>2,034.80</b>	<b>1,367.84</b>
<b>XI Profit for the year from continuing operations (IX - X)</b>		<b>5,115.41</b>	<b>5,100.44</b>
<b>Discontinued operations</b>			
Profit before tax for the period / year from Discontinued operations		-	948.58
Less: Tax expenses of discontinued operations		-	123.29
<b>XII Profit for the year from discontinued operations</b>		<b>-</b>	<b>825.29</b>
<b>XIII Profit for the year (XI + XII)</b>		<b>5,115.41</b>	<b>5,925.73</b>
<b>XIV Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to statement of profit or loss in subsequent period</b>			
Re-measurement (loss) on defined benefit plans	36	(73.03)	(29.14)
Income tax effect	36	7.82	7.24
Gain/(Loss) on FVTOCI equity securities	36	3,925.98	(5,113.50)
Income tax effect	36	(7.66)	48.87
<b>XV Other comprehensive income/(loss) for the year, net of tax</b>		<b>3,853.11</b>	<b>(5,086.53)</b>
<b>XVI Total comprehensive income of the year (Comprising net profit for the year and other comprehensive income/(loss))</b>		<b>8,968.52</b>	<b>839.20</b>
<b>XVII Profit attributable to:</b>			
a) Owners of Lumax Auto Technologies Limited			
- Profit for the period/year from Continuing operations		4,712.96	4,978.60
- Profit for the period/year from Discontinued operations		-	825.29
		<b>4,712.96</b>	<b>5,803.89</b>
b) Non- controlling interests			
- Profit for the period/year from Continuing operations		402.45	121.84
- Profit for the period/year from Discontinued operations		-	-
		<b>402.45</b>	<b>121.84</b>

## Consolidated Statement of Profit & Loss

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
c) Total Profit attributable to: (a+b)			
- Profit for the period/year from Continuing operations		5,115.41	5,100.44
- Profit for the period/year from Discontinued operations		-	825.29
		<b>5,115.41</b>	<b>5,925.73</b>
<b>XVIII Other comprehensive income / (Loss) attributable to:</b>			
a) Owners of Lumax Auto Technologies Limited			
- Other comprehensive income/(loss) for the period/year from continuing operations		3,858.23	(5,093.40)
- Other comprehensive income/(loss) for the period/year from discontinued operations		-	-
		<b>3,858.23</b>	<b>(5,093.40)</b>
b) Non- controlling interests			
- Other comprehensive (loss)/income for the period/ year from continuing operations		(5.12)	6.87
- Other comprehensive (loss)/income for the period/year from discontinued operations		-	-
		<b>(5.12)</b>	<b>6.87</b>
c) Total other comprehensive income (a+b)			
- Other comprehensive income/(loss) for the period/year from continuing operations		3,853.11	(5,086.53)
- Other comprehensive income/(loss) for the period/year from discontinued operations		-	-
		<b>3,853.11</b>	<b>(5,086.53)</b>
<b>XIX Total comprehensive income / (Loss) attributable to:</b>			
a) Owners of Lumax Auto Technologies Limited		8,571.19	710.49
b) Non- controlling interests		397.33	128.71
<b>XX Earnings per share (per share of face value ₹ 2 each) :</b>			
Earnings per share for continuing operation :	37	6.91	7.30
- Basic and Diluted			
Earnings per share for discontinued operation :	37	-	1.21
- Basic and Diluted			
Earnings per share for continuing and discontinued operation :	37	6.91	8.52
- Basic and Diluted			

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

# Consolidated Cash Flow Statement

For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Cash Flow from Operating Activities</b>		
<b>Profit before tax from continuing operations</b>	7,150.21	6,468.28
<b>Profit before tax from discontinued operations</b>	-	948.58
Non-cash adjustments:		
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation of property, plant and equipment	2,754.18	2,422.72
Amortization of intangible assets	77.95	79.00
Amortization of Right to use assets	525.60	891.78
Depreciation on investment properties	57.41	57.41
(Profit) on sale of Property, plant and equipment	(258.03)	(18.25)
Dividend Income	(31.51)	(282.13)
Liabilities no longer required, written back	(184.12)	(197.63)
Share of loss of joint ventures	9.33	30.10
Provision for doubtful debt	46.68	105.10
Outstanding Balance written off	1.20	56.77
Unrealized exchange (gain)/loss	(22.25)	42.08
Rent income	(244.78)	(202.31)
Interest income	(411.91)	(445.65)
Interest expenses	982.17	956.24
Unrealized (gain)/loss on investment in mutual fund	(182.53)	103.00
<b>Operating profit before working capital changes</b>	<b>10,269.60</b>	<b>11,015.09</b>
<b>Movements in working capital :</b>		
(Increase)/Decrease in trade receivables	(3,079.41)	8,330.12
(Increase) in financial assets	(1,042.23)	(213.24)
Decrease/ (Increase) in other assets	114.68	(1,495.97)
(Increase) in inventories	(1,916.15)	(491.27)
Increase/ (Decrease) in trade payable and other payable	4,957.64	(10,689.23)
Increase in current liabilities, provisions and financial liability	1,967.74	3,152.18
<b>Cash generated from operations</b>	<b>11,271.87</b>	<b>9,607.68</b>
<b>Direct taxes paid</b>	<b>(1,452.86)</b>	<b>(1,985.49)</b>
<b>Net cash generated from operating activities (A)</b>	<b>9,819.01</b>	<b>7,622.19</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work in progress and capital advances)	(4,299.16)	(3,545.21)
Proceeds from sale of property plant and equipment	80.71	2,238.91
Non - Controlling Interest	70.06	326.00
Dividend income	31.51	282.13
Investment in Joint ventures	(36.61)	(59.46)
(Purchase) / Redemption of mutual fund	(2,721.44)	814.98
Realized Gain on investment in mutual fund	(0.24)	(197.58)
Investment in bank deposits	(1,464.42)	(3,617.93)
Rent received	244.78	202.31
Interest received	510.77	362.74
<b>Net cash (used in) investing activities (B)</b>	<b>(7,584.04)</b>	<b>(3,193.11)</b>

## Consolidated Cash Flow Statement

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings (net)	212.43	853.49
(Repayment) of / Proceeds from short term borrowings (net)	(2,467.96)	1,332.60
Dividend paid (including tax thereon)	(759.89)	(4,580.43)
Interest paid	(982.91)	(939.84)
Payment of principal portion of lease liabilities	(266.63)	-
<b>Net cash (used in) financing activities (C)</b>	<b>(4,264.96)</b>	<b>(3,334.18)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A + B + C)</b>	<b>(2,029.99)</b>	<b>1,094.90</b>
Cash and cash equivalents at the beginning of the year	3,695.76	2,600.86
<b>Cash and cash equivalents at the end of the year</b>	<b>1,665.77</b>	<b>3,695.76</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	12.15	10.59
Balance with banks		
- On current accounts	1,193.62	3,138.94
- Deposits with original maturity of less than three months	460.00	546.23
<b>Total cash and cash equivalents (refer note 17)</b>	<b>1,665.77</b>	<b>3,695.76</b>

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

# Consolidated Statement of Changes in Equity

## For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Share Capital (1)	Other Equity					Minority Interests	Total Equity (+2)
		Retained Earnings	Capital Reserve	Securities Premium	General Reserve	FVTOCI Reserve		
As at March 31, 2019	1,363.15	32,368.55	289.31	4,528.55	1,726.40	7,738.38	4,231.41	48,014.34
Add: Profit for the year	-	5,803.89	-	-	-	-	121.84	5,803.89
Add: Other comprehensive income/(loss)	-	(21.90)	-	-	-	(5,071.50)	6.87	(5,093.40)
Add: Transfers	-	-	-	-	-	(0.70)	326.00	(0.70)
Less: Dividend Paid	-	(3,407.87)	-	-	-	-	(391.56)	(3,407.87)
Less: Dividend Distribution Tax	-	(700.50)	-	-	-	-	(80.49)	(700.50)
<b>As at March 31, 2020</b>	<b>1,363.15</b>	<b>34,042.18</b>	<b>289.31</b>	<b>4,528.55</b>	<b>1,726.40</b>	<b>2,666.18</b>	<b>4,214.07</b>	<b>44,615.76</b>
Add: Profit for the year	-	4,712.96	-	-	-	-	402.45	4,712.96
Add: Other comprehensive income/(loss)	-	(60.09)	-	-	-	3,918.32	(5.12)	3,858.23
Add: Acquisition/Adjustments	-	534.47	32.05	-	-	-	(496.46)	566.52
Less: Dividend Paid	-	(681.58)	-	-	-	-	(78.31)	(681.58)
<b>As at March 31, 2021</b>	<b>1,363.15</b>	<b>38,547.94</b>	<b>321.36</b>	<b>4,528.55</b>	<b>1,726.40</b>	<b>6,584.50</b>	<b>4,036.62</b>	<b>53,071.89</b>

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date

**S. R. Battiboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E3000005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

## Notes to Consolidated financial statements

### For the year ended March 31, 2021

#### 1. CORPORATE INFORMATION

The Consolidated financial statements comprise financial statements of Lumax Auto Technologies Limited (the Holding Company) its subsidiaries (collectively, the Group) and Joint ventures for the year ended March 31, 2021. The Holding Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Group is located at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046.

The Group is principally engaged in the manufacturing of automotive components. Information on the Group's structure is provided in note 38. Information on other related party relationships of the Group is provided in note 41.

The financial statements were authorized for issue in accordance with a resolution of the directors on June 12, 2021.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements.

These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

##### 2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as applicable to the financial statement.

The consolidated financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities which have been measured at fair value or revalued amount (refer accounting policy regarding financial instruments).

The consolidated Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Lakhs (₹ 00,000), except wherever otherwise stated.

##### 2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries and its joint venture as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on March 31, 2021.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

#### Consolidation procedure:

- a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b. Offset (eliminate) the carrying amount of the Holding Company investment in each subsidiary and the Holding Company portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- d. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- e. Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Unrealized gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

#### 2.3 Summary of significant accounting policies

##### A. Investment in subsidiaries and Joint Venture

The investment in subsidiary and Joint venture are carried at cost as per IND AS 27. The Group regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an investee if and only if it has all the following:

- (a) power over the investee,
- (b) exposure, or rights, to variable returns from its involvement with the investee, and
- (c) the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

##### B. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- (a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- (b) Held primarily for the purpose of trading
- (c) Expected to be realized within twelve months after the reporting period, or
- (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for the purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### **Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### **C. Foreign currencies**

#### **Functional and presentational currency**

The Group's financial statements are presented in Indian Rupees (₹) which is also the Group's functional currency.

#### **Transactions and balances**

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

### **D. Property, plant and equipment**

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price (net of Input Tax Credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

#### **Depreciation on property, plant and equipment**

Depreciation is calculated on a straight-line basis over the estimated useful lives as estimated by the management which is in line with the Schedule II to the Companies Act, 2013. The Group has used the following useful lives to provide depreciation on its Property, plant and equipment which is in line with schedule II:

<b>Assets</b>	<b>Useful Lives estimated by the management (in years)</b>
Lease hold land	99
Factory Building	30
Other Building	30 to 60
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	5
Electrical Installation	10



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

The management has estimated, supported by independent assessment by professionals, the useful life of the following class of asset, which are higher/different than that indicated in Schedule II.

Assets	Useful Lives estimated by the management (in years)
Plant and Machineries	9-21
Plant and Machineries (Robots)	12
Moulds	9

Leasehold land and leasehold improvement are amortized on a straight line basis over the period of lease term.

The residual value of property, plant and equipment is considered at 2%.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

#### E. Intangible assets

##### **Recognition and measurement**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

##### **Amortization and useful lives**

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Intangible Assets	Estimated Useful Life (Years)
Computer Software	Over the estimated economic useful lives of 4 years
Technical Know-how	Over the period of Technical Assistance Agreement i.e. 8 years

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gain or loss arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

#### F. Investment Property

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalized to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. When significant parts of investment property are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. All other repair and maintenance cost are expensed when incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model as per Ind AS 113 "Fair value measurement". Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Investment properties are depreciated using straight line method over their estimated useful life.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

### G. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### H. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i. Right-to-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Land & Building: 2-12 years

Solar Power: 15 years

If ownership of the leased asset is transferred to the Group at the end of the lease term and a purchase option is exercised, depreciation is calculated using the estimated useful life of the asset.

The right-to-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

#### ii. Lease Liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

#### iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

### Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

### I. Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realizable value.

The basis of determining costs for various categories of inventories is as follows:

- **Raw materials, components, stores and spares:** Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted moving average basis.
- **Work-in-progress and finished goods:** Cost includes direct material plus appropriate share of labour, manufacturing overheads based on normal operating capacity. Cost is determined on a weighted moving average basis.
- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Stores and spares which do not meet the definition of Property, plant and equipment are accounted as inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Scraps are valued at net realizable value.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of finished goods are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed its net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

### J. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### K. Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

However, Goods and services tax (GST), is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

### L. Sale of goods

Revenue from sale of goods (including tools) is recognized at the point in time when control of the inventory is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

Revenue is measured by the Group at the transaction price i.e. amount of consideration received/ receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of

products, the Holding Company considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group allocated a portion of the transaction price to goods bases on its relative Consolidated prices and also considers the following:

#### Schemes

The Group operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as discounts. Revenue from contract with customer is presented deducting cost of all these schemes.

#### Contract balances

##### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

##### Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

##### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

### M. Interest Income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "other income" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

### N. Dividend Income

Dividend is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

### O. Rental Income

Rental income arising from operating leases are accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

### P. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption

of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

### Q. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- a) The date of the plan amendment or curtailment, and
- b) The date that the Group recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements, and
- b) Net interest expense or income.

### R. Provisions

#### General

A provision is recognized when the Group has a present obligation as a result of past event, it 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 obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

#### Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognizes any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

#### Warranties:

Warranty costs are estimated on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimated used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

### S. Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### T. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### U. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Group by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### V. Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the Group.

#### W. Cash dividend to equity holders of the parent

The Group recognizes a liability to make cash dividend to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

#### X. Segment reporting

##### *Identification of segments*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. Chief operating decision makers reviews the performance of the Company according to the nature of business of the Company which includes manufacturing and selling of automobile components. Accordingly, the Company has only one primary segment.

##### *Segment accounting policies*

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

#### Y. Assets held for sale

The Group classifies current and non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-

current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in note 14. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.



## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

### Z. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred

between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents, if any

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosure of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

### AA. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

#### Financial Assets

##### **Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

### Financial assets at amortized cost (debt instruments)

A financial asset is measured at the amortized cost if both the following conditions are met

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

### Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value changes recognized in OCI is reclassified from the equity to profit or loss.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

### **Financial assets at fair value through profit or loss**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognized in the statement of profit and loss when the right of payment has been established.

### **De-recognition**

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Group's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

### **Financial Liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings etc.

#### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit and loss (FVTPL)

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

### **Financial liabilities at Amortized cost**

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### **De-recognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### **Reclassification of financial assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group

senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

### **AB. Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortized cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as an expense in the statement of profit and loss.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

### AC. Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefit is not probable.

Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies.
- The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

### 2.4 New and amended standards

#### i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after April 01, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after April 01, 2019. This amendment had no impact on the standalone financial statements of the Group.

#### ii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the Consolidated financial statements of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after April 01, 2020. The amendments to the definition of material are not expected to have a significant impact on the Group's Consolidated financial statements.

### 2.5 Standards issued but not effective

There are no standards that are issued but not yet effective on March 31, 2021.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

##### 3(a) Property, plant and equipment (net)

The details of property, plant and equipment (net) :

	As at March 31, 2021	As at March 31, 2020
Land	2,936.30	3,420.14
Buildings	8,324.71	8,539.72
Lease Hold Improvement	243.28	69.12
Plant and Equipments	20,105.09	17,147.84
Furniture and Fixtures	881.93	867.57
Office Equipments	289.89	275.96
Vehicles	196.81	314.04
Computers	175.89	107.98
<b>Total</b>	<b>33,153.91</b>	<b>30,742.38</b>

##### 3(b) Capital work in progress

The details of capital work in progress:

	As at March 31, 2021	As at March 31, 2020
Capital work in progress	932.86	2,074.02
<b>Total</b>	<b>932.86</b>	<b>2,074.02</b>

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### 3.1 Property, plant and equipment

Cost or valuation	Land **	Buildings#	Lease Hold Improvement	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Computers	Total
As at April 01, 2019	1,857.17	10,009.82	76.20	30,169.02	1,029.28	600.04	1,135.28	663.30	45,540.11
Additions	1,636.25	429.04	16.59	2,421.66	235.77	98.10	33.67	50.37	4,921.45
Disposals	-	-	-	(227.96)	(4.81)	(8.85)	(53.02)	(34.43)	(329.07)
<b>As at March 31, 2020</b>	<b>3,493.42</b>	<b>10,438.86</b>	<b>92.79</b>	<b>32,362.71</b>	<b>1,260.24</b>	<b>689.29</b>	<b>1,115.93</b>	<b>679.25</b>	<b>50,132.49</b>
Additions	-	114.93	223.78	4,990.56	124.08	99.53	27.89	144.92	5,725.69
Disposals	-	(68.63)	-	(74.41)	(3.10)	(1.92)	(41.36)	(2.24)	(91.66)
Adjustment *	(557.12)	-	10.60	-	-	-	-	-	(546.52)
<b>As at March 31, 2021</b>	<b>2,936.30</b>	<b>10,485.16</b>	<b>327.17</b>	<b>37,278.86</b>	<b>1,381.22</b>	<b>786.90</b>	<b>1,102.46</b>	<b>821.93</b>	<b>55,120.00</b>
<b>Depreciation and impairments</b>									
As at April 01, 2019	67.19	1,646.85	1.99	13,266.68	285.65	349.36	669.68	532.65	16,820.05
Depreciation Charge for the year	6.09	252.29	21.68	2,163.42	109.69	72.21	181.62	72.00	2,879.00
Disposal	-	-	-	(209.28)	(2.67)	(8.24)	(49.41)	(33.39)	(302.98)
Adjustment	-	-	-	(5.96)	-	-	-	-	(5.96)
<b>As at March 31, 2020</b>	<b>73.28</b>	<b>1,899.14</b>	<b>23.67</b>	<b>15,214.86</b>	<b>392.67</b>	<b>413.33</b>	<b>801.89</b>	<b>571.26</b>	<b>19,390.11</b>
Depreciation Charge for the year	6.09	261.94	49.81	2,028.31	109.72	85.60	135.74	76.97	2,754.18
Disposal	-	(0.63)	-	(69.41)	(3.10)	(1.92)	(31.98)	(2.20)	(109.24)
Adjustment *	(79.37)	-	10.41	-	-	-	-	-	(68.96)
<b>As at March 31, 2021</b>	<b>-</b>	<b>2,160.45</b>	<b>83.89</b>	<b>17,173.76</b>	<b>499.29</b>	<b>497.01</b>	<b>905.65</b>	<b>646.03</b>	<b>21,966.09</b>
<b>Net Block</b>									
<b>As at March 31, 2021</b>	<b>2,936.30</b>	<b>8,324.71</b>	<b>243.28</b>	<b>20,105.09</b>	<b>881.93</b>	<b>289.89</b>	<b>196.81</b>	<b>175.89</b>	<b>33,153.91</b>
<b>As at March 31, 2020</b>	<b>3,420.14</b>	<b>8,539.72</b>	<b>69.12</b>	<b>17,147.84</b>	<b>867.57</b>	<b>275.96</b>	<b>314.04</b>	<b>107.98</b>	<b>30,742.38</b>
<b>As at April 01, 2019</b>	<b>1,789.98</b>	<b>8,362.97</b>	<b>74.21</b>	<b>16,902.34</b>	<b>743.63</b>	<b>250.68</b>	<b>465.60</b>	<b>130.65</b>	<b>28,720.06</b>

\*Adjustment on account of Ind AS 116 "Leases", there is no impact on statement of profit and loss accounts.

\*\* Block of Land as at March 31, 2021 represents Freehold Land

# Buildings includes non factory buildings

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 4. INTANGIBLE ASSETS

##### a) Details of intangible assets:

	As at March 31, 2021	As at March 31, 2020
<b>Intangible assets</b>		
- Computer software	208.74	194.58
- Technical Know How	124.33	0.54
<b>Total</b>	<b>333.06</b>	<b>195.12</b>

##### b) Disclosures regarding gross block of intangible assets, accumulated amortization and net block:

	Computer Software	Technical Know How	Total
<b>Cost</b>			
At April 01, 2019	737.68	186.52	924.20
Add: Additions	141.71	-	141.71
Less: Disposals	(55.54)	-	(55.54)
<b>At March 31, 2020</b>	<b>823.85</b>	<b>186.52</b>	<b>1,010.37</b>
Add: Additions	82.91	132.99	215.90
Less: Disposals	(1.42)	-	(1.42)
<b>At March 31, 2021</b>	<b>905.34</b>	<b>319.51</b>	<b>1,224.85</b>
<b>Amortization</b>			
At April 01, 2019	603.05	185.26	788.31
Add: Amortization charge for the year	78.27	0.72	78.99
Less: Disposals	(52.05)	-	(52.05)
<b>At March 31, 2020</b>	<b>629.27</b>	<b>185.98</b>	<b>815.25</b>
Add: Amortization charge for the year	68.75	9.20	77.95
Less: Disposals	(1.42)	-	(1.42)
<b>At March 31, 2021</b>	<b>696.61</b>	<b>195.18</b>	<b>891.79</b>
<b>Net book value</b>			
<b>At March 31, 2021</b>	<b>208.74</b>	<b>124.33</b>	<b>333.06</b>
At March 31, 2020	194.58	0.54	195.12
At April 01, 2019	134.63	1.26	135.89

##### c) Details of Goodwill:

	As at March 31, 2021	As at March 31, 2020
Goodwill	16.64	16.64
<b>Total</b>	<b>16.64</b>	<b>16.64</b>



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 5. RIGHT-TO-USE ASSETS

(i) The Group's lease asset primarily consist of leases for land and buildings and Solar Power Plant of various lease terms. Effective April 01, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognized.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(ii) Set out below are the carrying amounts of right-to-use assets recognized and the movements during the year:

	Land	Solar Power Plant	Land and Building	Total
<b>Cost</b>				
At April 01, 2019	-	230.60	1,366.71	1,597.31
Add: Additions	-	205.84	1,366.00	1,571.83
<b>At March 31, 2020</b>	-	<b>436.44</b>	<b>2,732.71</b>	<b>3,169.15</b>
Add: Additions	-	-	136.02	136.02
Less: Disposals	-	-	(34.10)	(34.10)
Adjustments*	546.52	-	-	546.52
<b>At March 31, 2021</b>	<b>546.52</b>	<b>436.44</b>	<b>2,834.63</b>	<b>3,817.59</b>
<b>Amortization</b>				
At April 01, 2019	-	-	-	-
Add: Amortization charge for the year	-	20.98	414.50	435.48
Less: Disposals	-	-	-	-
<b>At March 31, 2020</b>	-	<b>20.98</b>	<b>414.50</b>	<b>435.48</b>
Add: Amortization charge for the year	-	29.09	496.51	525.60
Less: Disposals	-	-	(22.77)	(22.77)
Adjustments*	68.96	-	-	68.96
<b>At March 31, 2021</b>	<b>68.96</b>	<b>50.07</b>	<b>888.24</b>	<b>1,007.27</b>
<b>Net book value</b>				
<b>At March 31, 2021</b>	<b>477.56</b>	<b>386.37</b>	<b>1,946.39</b>	<b>2,810.32</b>
<b>At March 31, 2020</b>	-	<b>415.46</b>	<b>2,318.21</b>	<b>2,733.67</b>
<b>At April 01, 2019</b>	-	<b>230.60</b>	<b>1,366.71</b>	<b>1,597.31</b>

\*Adjustment on account of Ind AS 116 "Leases", there is no impact on statement of profit and loss accounts.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

(iii) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021:

	Solar Power Plant	Land and Building	TOTAL
<b>Cost</b>			
At April 01, 2019	230.60	1,366.71	1,597.31
Add: Additions	205.84	1,365.99	1,571.83
Add : Finance cost accrued during the year	1.08	198.18	199.26
Less: Payment of lease liabilities	(17.10)	(482.06)	(499.16)
<b>At March 31, 2020</b>	<b>420.42</b>	<b>2,448.82</b>	<b>2,869.24</b>
Add: Additions	-	136.02	136.02
Add : Finance cost accrued during the year	6.33	196.33	202.67
Less: Disposals	-	(11.33)	(11.33)
Less: Payment of lease liabilities	(22.70)	(571.28)	(593.98)
<b>At March 31, 2021</b>	<b>404.05</b>	<b>2,198.57</b>	<b>2,602.62</b>
<b>Current</b>	<b>24.54</b>	<b>709.82</b>	<b>734.36</b>
<b>Non Current</b>	<b>379.51</b>	<b>1,488.75</b>	<b>1,868.26</b>

(iv) The weighted average incremental borrowing rate applied to lease liabilities as at April 01, 2019 is 8.66% p.a.

(v) The following are the amounts recognized in profit or loss:

	As at March 31, 2021	As at March 31, 2020
Depreciation expense of right-to-use assets	525.60	435.48
Interest expense on lease liabilities	202.67	199.26
Expense relating to short-term leases (included in other expenses)	226.51	238.90
<b>Total amount recognized in profit or loss</b>	<b>954.78</b>	<b>873.64</b>

(vi) The Group had total cash outflows for leases of ₹ 593.98 lakhs for the year ended March 31, 2021 (March 31, 2020 ₹ 499.16 lakhs).

(vii) **Extension and termination options :** Extension and termination options are included in property lease agreements. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. Extension and termination options held are exercisable only by the Group and not by the lessor. Extension options have not been included in the lease term as exercising this option is currently not reasonably certain.

(viii) **Variable lease payments :** Some property leases contain variable payment terms with payments that are based on actual expenses incurred by the lessor for operation and maintenance of the facility. These expenses could not be measured reliable as on the date of inception of the contract and hence have not been included in calculation of the lease liability. These expenses are charged to the statement of profit and loss as and when they are incurred.

(ix) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 6. INVESTMENT PROPERTY

	Freehold Land	Buildings	Total
<b>Gross carrying amount</b>			
At April 01, 2019	594.63	1,694.95	2,289.58
Additions / (Deductions)	-	-	-
<b>At March 31, 2020</b>	<b>594.63</b>	<b>1,694.95</b>	<b>2,289.58</b>
Additions / (Deductions)	-	-	-
<b>At March 31, 2021</b>	<b>594.63</b>	<b>1,694.95</b>	<b>2,289.58</b>
<b>Depreciation and Impairments</b>			
At April 01, 2019	-	416.25	416.25
Depreciation Charge for the year	-	57.41	57.41
<b>At March 31, 2020</b>	<b>-</b>	<b>473.66</b>	<b>473.66</b>
Depreciation Charge for the year	-	57.41	57.41
<b>At March 31, 2021</b>	<b>-</b>	<b>531.07</b>	<b>531.07</b>
<b>Net Block</b>			
<b>At March 31, 2021</b>	<b>594.63</b>	<b>1,163.88</b>	<b>1,758.51</b>
<b>At March 31, 2020</b>	<b>594.63</b>	<b>1,221.29</b>	<b>1,815.92</b>
<b>Fair Value of Investment Property</b>			
<b>At March 31, 2021</b>			<b>4,469.19</b>
<b>At March 31, 2020</b>			<b>4,466.67</b>

#### i) Amount recognized in statement of profit and loss from investment property

	As at March 31, 2021	As at March 31, 2020
Rental Income*	527.38	453.55
Direct operating expenses (including repairs and maintenance) from property that generated rental Income	(1.10)	(32.89)
<b>Profit from Investment property before depreciation</b>	<b>526.28</b>	<b>420.66</b>
Depreciation	57.41	57.41
<b>Profit from Investment property</b>	<b>468.87</b>	<b>363.25</b>

\*The amount of rental income includes income from subsidiary and the same has been eliminated in the consolidated financials statement and hence no income from subsidiary investment property has been credited to the statement of profit and loss.

#### ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

#### iii) Estimation of Fair Value

Fair value investment property is ascertained on the basis of market rates as determined by the independent registered valuer. Fair value hierarchy disclosures for investment properties have been provided in note 46.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### iv) Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Technique
Land and Building situated at Plot No. 69, Bidadi Industrial area, 2 <sup>nd</sup> Phase, Sector-2, Sy. No (s): Parts of 32, 56 to 59, Bidadi Hobli, Ramanagara Taluka, District Ramanagara, Bangalore, Karnataka - 562109. Land Area - 15484 sq mt Land Value - ₹ 1006.46 lakhs Building built up area - 7132.15 sq mt Building Value - ₹ 1637.54 lakhs Valuer Name: Vikrant Bhatia (Prop. Symmetrix- The Design Studio)	Market Rate
Land and Building situated at Plot No. 164, Sector-5, IMT Manesar Gurgaon-122050, Haryana. Land Area - 5400 sq mt Land Value - ₹ 1323 lakhs Building built up area - 2487.41 sq mt Building Value - ₹ 502.19 lakhs Valuer Name: Vikrant Bhatia (Prop. Symmetrix- The Design Studio)	Market Rate

## 7. INVESTMENT IN JOINT VENTURES

### Details of Investment

	As at March 31, 2021	As at March 31, 2020
<b>Investment in Joint ventures</b>		
<i>Unquoted, valued at cost</i>		
<b>Sipal Engineering Private Limited</b>	76.26	51.77
7.19 lakhs (As at March 31, 2020 - 7.19 lakhs) equity shares of ₹ 10 each fully paid up		
<b>Lumax Ituran Telematics Private Limited</b>	26.19	23.40
12.96 lakhs (As at March 31, 2020 - 9.30 lakhs) equity shares of ₹ 10 each fully paid up		
<b>Total</b>	<b>102.45</b>	<b>75.17</b>

## 8. CURRENT/NON CURRENT TAX ASSETS/LIABILITIES - NET

	As at March 31, 2021	As at March 31, 2020
Non Current tax asset	46.13	322.02
Current tax liabilities	267.08	-
<b>Current tax liabilities (net)</b>	<b>267.08</b>	<b>-</b>
<b>Non Current tax assets (net)</b>	<b>46.13</b>	<b>322.02</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 9. INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
<b>A. Non Current Investments</b>		
<i>Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*</i>		
<b>Lumax Industries Limited</b>	8,436.49	4,554.64
5.25 lakhs (As at March 31, 2020 - 5.25 lakhs) equity shares of ₹ 10 each fully paid up		
<i>Investment in equity instruments (Unquoted)</i>		
<b>Lumax Ancillary Limited</b>	503.65	459.52
3.00 lakhs (As at March 31, 2020 - 3.00 lakhs) equity shares of ₹ 10 each fully paid up		
	<b>8,940.14</b>	<b>5,014.16</b>
<b>B. Current investments**</b>		
<i>Investment in Mutual funds</i>		
<b>SBI Liquid Fund Direct Growth</b>	2,993.29	268.67
0.93 lakhs units (As at March 31, 2020 - 0.09 lakhs units)		
<b>AXIS Liquid Fund Growth</b>	518.10	500.16
0.23 lakhs units (As at March 31, 2020 - 0.23 lakhs units)		
<b>SBI Saving Fund Direct Plan Growth</b>	514.73	-
15.05 lakhs units (As at March 31, 2020 - NIL)		
<b>SBI Overnight Fund Direct Growth</b>	0.12	-
0.00004 lakhs units (As at March 31, 2020 - NIL)		
<i>Investment in Equity Instruments</i>		
<b>AXIS Bank Limited</b>	-	45.48
NIL (As at March 31, 2020 - 0.12 lakhs) equity shares of ₹ 2 each fully paid up		
<b>ICICI Bank Limited</b>	-	61.51
NIL (As at March 31, 2020 - 0.19 lakhs) equity shares of ₹ 2 each fully paid up		
<b>Larsen &amp; Toubro Limited</b>	-	60.64
NIL (As at March 31, 2020 - 0.08 lakhs) equity shares of ₹ 2 each fully paid up		
<b>Oil and Natural Gas Corporation Limited</b>	-	78.55
NIL (As at March 31, 2020 - 1.15 lakhs) equity shares of ₹ 5 each fully paid up		
<b>Reliance Industries Limited</b>	8.67	72.39
0.004 lakhs partly paid up (As at March 31, 2020 - 0.07 lakhs fully paid up) equity shares of ₹ 10 each		
<b>State Bank of India</b>	-	43.31
NIL (As at March 31, 2020 - 0.22 lakhs) equity shares of ₹ 1 each fully paid up		
	<b>4,034.91</b>	<b>1,130.70</b>
<b>Current</b>	<b>4,034.91</b>	<b>1,130.70</b>
<b>Non- current</b>	<b>8,940.14</b>	<b>5,014.16</b>
<b>Aggregate Market value of Quoted Investments (refer note 46)</b>	<b>12,471.40</b>	<b>5,685.34</b>
<b>Aggregate value of unquoted Investments (refer note 46)</b>	<b>503.65</b>	<b>459.52</b>

#### Non- current Investments

\*Investment in equity instrument where the business model of the group is not for trading, the group has opted for irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Other Comprehensive income (FVTOCI).

#### Current Investments

\*\*Investment in current investments, the group has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Fair value through profit or loss (FVTPL).

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 10. LOANS

	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured and considered good unless otherwise stated)</b>		
<b>Non Current</b>		
<b>Loans</b>		
Loan to Employees	11.26	12.19
Security Deposit	612.11	568.92
<b>Total (A)</b>	<b>623.37</b>	<b>581.11</b>
<b>Current</b>		
<b>Loans</b>		
Security Deposit	2.18	2.18
Loan to Employees	57.90	79.14
<b>Total (B)</b>	<b>60.08</b>	<b>81.32</b>
<b>Total (A+B)</b>	<b>683.45</b>	<b>662.43</b>
<b>Current</b>	<b>60.08</b>	<b>81.32</b>
<b>Non- current</b>	<b>623.37</b>	<b>581.11</b>

#### 11. OTHER FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured and considered good unless otherwise stated)</b>		
<b>Non- current</b>		
Deposits with remaining maturity for more than 12 months	-	150.00
<b>Total (A)</b>	<b>-</b>	<b>150.00</b>
<b>Current</b>		
Unbilled revenue*	1,151.78	-
Interest accrued but not due	60.06	158.92
Other recoverables**	55.81	36.38
<b>Total (B)</b>	<b>1,267.65</b>	<b>195.30</b>
<b>Total (A+B)</b>	<b>1,267.65</b>	<b>345.30</b>
<b>Current</b>	<b>1,267.65</b>	<b>195.30</b>
<b>Non- Current</b>	<b>-</b>	<b>150.00</b>

\* Includes ₹ 1151.78 lakhs (March 31, 2020, ₹ NIL) computed on the basis of a price revision claim with customers who has confirmed the same.

\*\* Other recoverables included recoverable from Related Parties of ₹ 0.09 lakhs (March 31, 2020, ₹ NIL) (Also refer note 41)

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### Break up of financial assets carried at amortized cost:

	As at March 31, 2021	As at March 31, 2020
Loans (refer note 10)	69.16	91.34
Trade receivables (refer note 16)	22,298.19	19,277.49
Cash and cash equivalents (refer note 17)	1,665.77	3,695.76
Other bank balance (refer note 18)	8,130.47	6,666.05
Other financial assets (refer note 11)	1,267.65	345.30
Security deposit (refer note 10)	614.29	571.10
<b>Total</b>	<b>34,045.53</b>	<b>30,647.04</b>

## 12. INCOME TAX

### (a) The major components of income tax expense for the years ended are:

#### Statement of profit and loss:

	As at March 31, 2021	As at March 31, 2020
<b>Current income tax:</b>		
Current income tax charge on continuing operations	1,958.93	1,988.12
Current income tax charge on discontinued operations	-	123.29
Adjustments in respect of current income tax of previous year	(49.23)	(50.01)
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	125.10	(570.27)
<b>Income tax expense reported in the statement of profit or loss</b>	<b>2,034.80</b>	<b>1,491.13</b>

### (b) OCI section

#### Deferred tax related to items recognized in Other Comprehensive Income during the year:

	As at March 31, 2021	As at March 31, 2020
Tax effect on loss on remeasurements of defined benefit plans	7.82	7.24
Tax effect on (gain)/loss on financial assets	(7.66)	48.87
<b>Income tax charged to Other Comprehensive Income</b>	<b>0.16</b>	<b>56.11</b>

### (c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020

	As at March 31, 2021	As at March 31, 2020
<b>Accounting profit before income tax for continuing operations</b>	<b>7,221.95</b>	<b>6,858.90</b>
<b>Accounting profit before income tax for discontinued operations</b>	<b>-</b>	<b>948.58</b>
At India's statutory income tax rate of 25.168% (March 31, 2020: 25.168%)	2,009.14	2,177.47
<b>Non-deductible expenses for tax purposes:</b>		
Permanent differences	53.01	78.60
Dividend (Dividend Income exempt u/s 10(34))	(32.02)	(191.45)
Others	7.33	(79.53)
Difference in tax rate	(2.66)	(493.96)
<b>At the effective income tax rate of 28.18 % (March 31, 2020: 19.10 %)</b>	<b>2,034.80</b>	<b>1,491.13</b>
<b>Income tax expense reported in the statement of profit and loss for continuing operations</b>	<b>2,034.80</b>	<b>1,367.84</b>
<b>Income tax expense reported in the statement of profit and loss for discontinued operations</b>	<b>-</b>	<b>123.29</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### d) Deferred tax:

	Balance sheet	
	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax assets relates to the following :</b>		
Impact of expenditures charged to statement of profit and loss but allowed for tax purposes on payment basis	568.34	466.01
Impact of impairment allowance for doubtful debts	49.38	49.19
Deferred tax on right to use asset (net)	71.25	21.36
Others (including brought forward losses)	40.92	138.45
	<b>729.89</b>	<b>675.01</b>
<b>Deferred tax liability relates to the following :</b>		
Accelerated depreciation for tax purposes	2,020.33	1,984.83
Un-realized gain/(loss) on Mutual Fund	28.87	(17.16)
	<b>2,049.20</b>	<b>1,967.67</b>
Deferred Gain on financial assets	86.51	79.60
<b>Total deferred tax liability (Net)</b>	<b>1,405.82</b>	<b>1,372.26</b>

#### e) Deferred tax assets relates to the following :

	Balance sheet	
	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax assets relates to the following :</b>		
Impact of expenditures charged to statement of profit and loss but allowed for tax purposes on payment basis	138.43	191.07
Accelerated depreciation for tax purposes	-	(91.18)
Others	0.70	0.03
	<b>139.13</b>	<b>99.92</b>
<b>Deferred tax liability relates to the following :</b>		
Others	130.59	-
	<b>130.59</b>	<b>-</b>
<b>Total deferred tax Asset (Net)</b>	<b>8.54</b>	<b>99.92</b>

**Note:** Deferred Tax Assets and deferred Tax Liabilities of the Group and its joint venture are set off to the extent the respective Company has legal rights.



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 13. OTHER ASSETS

The details of other assets:

	As at March 31, 2021	As at March 31, 2020
<b>(Unsecured, considered good, unless otherwise stated)</b>		
<b>Non- current</b>		
Advances for property, plant and equipment	264.77	676.34
Income tax refund receivable	632.60	546.47
Balances with statutory/government authorities*	668.59	436.46
Deposit under protest	0.78	0.78
<b>Total (A)</b>	<b>1,566.74</b>	<b>1,660.04</b>
<b>Current</b>		
Balance with statutory / government authorities	1,042.97	1,021.77
Advance to suppliers	1,479.00	1,445.67
Prepaid expenses	216.30	171.68
Export benefits receivable	5.39	-
Others advances	113.71	154.69
<b>Total (B)</b>	<b>2,857.37</b>	<b>2,793.82</b>
<b>Total (A+B)</b>	<b>4,424.11</b>	<b>4,453.86</b>
<b>Current</b>	<b>2,857.37</b>	<b>2,793.82</b>
<b>Non -current</b>	<b>1,566.74</b>	<b>1,660.04</b>

\*Balance with government authority includes the amount of subsidy claim receivable on the capital investment made by the holding Company in the state of Maharashtra.

#### 14. ASSETS HELD FOR SALE

	As at March 31, 2021	As at March 31, 2020
<b>Current</b>		
Assets held for sale**	-	366.22
<b>Total</b>	<b>-</b>	<b>366.22</b>
<b>Current</b>	<b>-</b>	<b>366.22</b>
<b>Non -current</b>	<b>-</b>	<b>-</b>

\*\* In the earlier years, the Holding Company classified certain items of Property Plant and Equipment (which includes leasehold land and building at Ranjangaon, Maharashtra net value of which is ₹ 177.28 lakhs and ₹ 188.94 lakhs respectively) as held for sale which was recognized and measured in accordance with Ind-AS 105 "Non Current Assets Held for Sale and Discontinued operations" at lower of its carrying amount and the fair value less cost to sell. During the current year, the said assets have been sold and the Holding Company has recognized profit on sale of assets of ₹ 221.78 lakhs which is disclosed under other income.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 15. INVENTORIES

##### Details of inventories:

	As at March 31, 2021	As at March 31, 2020
<b>Raw materials (at cost)</b>	3,195.02	2,335.33
(includes material in transit ₹ 186.71 lakhs (As at March 31, 2020 ₹ 133.90 lakhs))		
<b>Work-in-progress (at cost)</b>	443.05	367.63
<b>Finished goods (at lower of cost and net realizable value)</b>	871.62	698.28
(includes sales in transit ₹ 480.24 lakhs (As at March 31, 2020 ₹ 346.84 lakhs))		
<b>Traded goods</b>	1,834.97	1,622.56
(includes goods in transit NIL (As at March 31, 2020 ₹ 74.00 lakhs))		
Moulds	1,680.41	1,077.73
Stores and spares	333.69	341.08
<b>Total inventories, at the lower of cost and net realizable value</b>	<b>8,358.76</b>	<b>6,442.61</b>

#### 16. TRADE RECEIVABLES

##### a) Details of trade receivables:

	As at March 31, 2021	As at March 31, 2020
Trade receivables	19,399.75	14,241.78
Receivables from other related parties (refer note 41)	2,898.44	5,035.71
<b>Total Trade receivables</b>	<b>22,298.19</b>	<b>19,277.49</b>

##### b) Break-up for security details:

	As at March 31, 2021	As at March 31, 2020
<b>Trade receivables</b>		
Secured, considered good	432.59	261.60
Unsecured, considered good	21,865.60	19,015.89
Doubtful	167.33	193.39
<b>Total</b>	<b>22,465.52</b>	<b>19,470.88</b>
Allowance for trade receivables- credit impaired	(167.33)	(193.39)
<b>Total</b>	<b>22,298.19</b>	<b>19,277.49</b>

- c) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- d) Trade receivables are non-interest bearing and are generally on terms of not more than 30-90 days.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 17. CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- On current accounts	1,193.62	3,138.94
- Deposits with original maturity of less than 3 months	460.00	546.23
Cash on hand	12.15	10.59
<b>Total</b>	<b>1,665.77</b>	<b>3,695.76</b>

Cash at banks earns interest at floating rates based on daily bank deposit rates.

#### 18. OTHER BANK BALANCES

	As at March 31, 2021	As at March 31, 2020
Other bank balances		
- Deposits having remaining maturity of more than 12 months	-	150.00
- Deposits with remaining maturity of more than 3 months but less than 12 months	8,109.31	6,643.51
- on unpaid dividend account *	21.16	22.54
<b>Total</b>	<b>8,130.47</b>	<b>6,816.05</b>
Less: Deposits having remaining maturity of more than 12 months disclosed under other financial assets (refer note 11)	-	150.00
<b>Total</b>	<b>8,130.47</b>	<b>6,666.05</b>

\* The Group can utilize the balance only towards settlement of unclaimed dividend.

For the purpose of the statement of cash flow, cash and cash equivalents comprise of the following:

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- On current accounts	1,193.62	3,138.94
- Deposits with original maturity of less than 3 months	460.00	546.23
Cash on hand	12.15	10.59
<b>Total</b>	<b>1,665.77</b>	<b>3,695.76</b>

#### Changes in liabilities arising from financing activities:

	As at April 01, 2020	Cash flows/Others	As at March 31, 2021
		Proceeds / (Repayment)	
Long term borrowings (including current maturities)	2,340.57	212.43	2,553.00
Short term borrowings	7,152.41	(2,467.96)	4,684.45
Lease liabilities	2,869.25	(266.63)	2,602.62
<b>Total liabilities from financing activities</b>	<b>12,362.24</b>	<b>(2,522.16)</b>	<b>9,840.08</b>

	As at April 01, 2019	Cash flows/Others	As at March 31, 2020
		Proceeds / (Repayment)	
Long term borrowings (including current maturities)	1,153.74	1,186.83	2,340.57
Short term borrowings	5,819.81	1,332.60	7,152.41
Lease liabilities	-	2,869.25	2,869.25
<b>Total liabilities from financing activities</b>	<b>6,973.55</b>	<b>5,388.69</b>	<b>12,362.24</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 19. SHARE CAPITAL

##### a) Details of share capital

	As at March 31, 2021	As at March 31, 2020
<b>Authorized share capital</b>		
1805.00 lakhs (As at March 31, 2020 1805.00 lakhs), equity shares of ₹ 2 each	3,610.00	3,610.00
	<b>3,610.00</b>	<b>3,610.00</b>
<b>Issued, subscribed and fully paid up capital</b>		
681.58 lakhs (As at March 31, 2020 681.58 lakhs), equity shares of ₹ 2 each	1,363.15	1,363.15
	<b>1,363.15</b>	<b>1,363.15</b>

##### b) Reconciliation of authorized share capital

	Equity Shares	
	No. of shares (in Lakhs)	Amount
As at April 01, 2019	1,805.00	3,610.00
Increase/(Decrease) during the year	-	-
As at March 31, 2020	1,805.00	3,610.00
Increase/(Decrease) during the year	-	-
<b>As at March 31, 2021</b>	<b>1,805.00</b>	<b>3,610.00</b>

##### c) Reconciliation of issued, subscribed and paid up share capital

	Equity Shares	
	No. of shares (in Lakhs)	Amount
<b>Equity shares of ₹ 2 each issued, subscribed and fully paid</b>		
As at April 01, 2019	681.58	1,363.15
Issued during the year	-	-
As at March 31, 2020	681.58	1,363.15
Issued during the year	-	-
<b>As at March 31, 2021</b>	<b>681.58</b>	<b>1,363.15</b>

##### d) Terms/ rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the group, after distribution of any preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### e) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of shares (in Lakhs)	% holding in the equity shares	No. of shares (in Lakhs)	% holding in the equity shares
Equity shares of ₹ 2 (March 31, 2020 ₹ 2) each fully paid				
Mr Deepak Jain, Director	129.21	18.96%	99.52	14.60%
Mr Anmol Jain, Managing Director	129.18	18.95%	99.49	14.60%
Lumax Finance Private Limited	121.11	17.77%	121.11	17.77%
Albula Investment Fund Limited	61.58	9.04%	61.58	9.04%
D. K. Jain & Sons (HUF)	-	0.00%	59.31	8.70%

## 20. OTHER EQUITY

### Reconciliation of Other Equity

	Retained Earnings	Capital Reserve	Securities Premium	General Reserve	FVTOCI Reserve	Total
As at March 31, 2019	32,368.55	289.31	4,528.55	1,726.40	7,738.38	46,651.19
Profit for the year	5,803.89	-	-	-	-	5,803.89
Other comprehensive (loss) for the year (net of tax)	(21.90)	-	-	-	(5,071.50)	(5,093.40)
Add: Transfers	-	-	-	-	(0.70)	(0.70)
Less : Dividend Paid	(3,407.87)	-	-	-	-	(3,407.87)
Less: Dividend Distribution Tax Paid	(700.50)	-	-	-	-	(700.50)
<b>As at March 31, 2020</b>	<b>34,042.18</b>	<b>289.31</b>	<b>4,528.55</b>	<b>1,726.40</b>	<b>2,666.18</b>	<b>43,252.61</b>
Profit for the year	4,712.96	-	-	-	-	4,712.96
Add: Acquisition/Adjustments	534.47	32.05	-	-	-	566.52
Other comprehensive income/(loss) for the year (net of tax)	(60.09)	-	-	-	3,918.32	3,858.23
Less : Dividend Paid	(681.58)	-	-	-	-	(681.58)
<b>As at March 31, 2021</b>	<b>38,547.94</b>	<b>321.36</b>	<b>4,528.55</b>	<b>1,726.40</b>	<b>6,584.50</b>	<b>51,708.74</b>

### Distributions made and proposed

	As at March 31, 2021	As at March 31, 2020
<b>Holding Company</b>		
<b>Cash dividends on equity shares declared and paid</b>		
Final dividend for the year ended March 31, 2020 ₹1 per share (March 31, 2019 ₹ 3 per share)	681.58	2,044.80
Interim dividend for the year ended March 31, 2021 NIL (March 31, 2020 ₹ 2 per share)	-	1,363.15
Dividend Distribution Tax on dividend**	-	602.13

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
<b>Subsidiary company</b>		
Final cash dividends (share of minority) for the year ended March 31, 2020: ₹ 5 per share (March 31, 2019: ₹ 15 per share)	78.31	234.93
Dividend Distribution Tax on final dividend**	-	107.31
Interim dividend (share of minority) for the year ended March 31, 2021 NIL (March 31, 2020 ₹ 10 per share)	-	156.62
Dividend Distribution Tax on Interim dividend**	-	71.47
	<b>759.89</b>	<b>4,580.42</b>

#### Distributions made and proposed

	As at March 31, 2021	As at March 31, 2020
<b>Proposed dividends on Equity shares *</b>		
<b>Holding Company</b>		
Final cash dividend for the year ended March 31, 2021 ₹ 3 per Share (March 31, 2020: ₹ 1 per share)**	2,044.73	681.58
<b>Subsidiary company</b>		
Final cash dividends (share of minority) for the year ended March 31, 2021: ₹ 15 per share (March 31, 2020: ₹ 5 per share)**	234.93	78.31

\* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at March 31, 2021.

\*\* With effect from April 01, 2020, the Dividend Distribution Tax ("DDT") payable by the company under section 115-O of Income Tax Act was abolished and a withholding tax u/s 194A was introduced on the payment of dividend. As a result, dividend is now taxable in the hands of the recipient.

## 21. BORROWINGS

### a) Details of long term borrowings:

	As at March 31, 2021	As at March 31, 2020
<b>Term Loans</b>		
Term Loan from banks (secured)*	2,504.79	2,262.50
<b>Long term maturities of finance lease obligation</b>		
Vehicle loan from banks (secured)**	48.21	78.07
Less: current maturity disclosed under other financial liabilities (refer note 25)		
- term loan	(1,968.87)	(612.50)
- vehicle loan	(31.71)	(51.84)
<b>Total borrowings</b>	<b>552.42</b>	<b>1,676.23</b>
<b>Total non-current</b>	<b>552.42</b>	<b>1,676.23</b>
Aggregate secured loans	<b>2,553.00</b>	<b>2,340.57</b>
Aggregate unsecured loans	-	-

#### Loans taken by the Holding Company

\*\* Vehicle loan amounting ₹ 33.60 lakhs (Previous year ₹ 39.77 lakhs) from banks at interest @ 8%-10% are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### Loan taken by the Subsidiary Companies

\* 1. Term loan amounting to ₹ 861.38 Lakhs (March 31, 2020 ₹ 1000 Lakhs) from HDFC Bank repayable in 13 equal quarterly installments of ₹ 62.50 lakhs each, and secured by hypothecation on Plant & Machinery and carries interest @ 8.50%.

\* 2. Term loan amounting to ₹ 449.94 Lakhs (March 31, 2020 ₹ 562.50 Lakhs) from Bank secured by Exclusive charge on fixed assets and carries interest @ 8% - 9%.

\* 3. Term loan in INR amounting ₹ 1193.47 Lakhs (March 31, 2020 ₹ 700 lakhs) carried interest ranging from 8.25% to 9.20% p.a. are secured by way of hypothecation of Plant & Machinery, stocks and receivables. The loan is repayable over a period of Four to Five years from the date of availment.

\*\* 4. Vehicle loan amounting ₹ 14.61 lakhs (March 31, 2020 ₹ 38.30 lakhs) from banks at interest @ 8%-9% are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.

#### b) Details of short term borrowings:

	As at March 31, 2021	As at March 31, 2020
<b>Loan repayable On Demand</b>		
Working capital loan repayable on demand*	3,850.00	6,850.00
On cash credit accounts**	736.34	302.41
Customer Finance Facility from Banks***	98.11	-
<b>Total</b>	<b>4,684.45</b>	<b>7,152.41</b>

#### WCDL taken by the Holding Company

\* Working capital demand loan ₹ 2,000 lakhs (March 31, 2020: NIL) from Bank is repayable in 180 days from respective drawdown and carries interest @ 6.15% per annum.

\* Working capital demand loan ₹ 1,000 lakhs (March 31, 2020: ₹ 6,500 lakhs) from financial institution is repayable in 180 days from respective drawdown and carries interest @ 6.90% per annum, pari- passu charged over the current assets of the company.

#### Cash Credit taken by the Holding Company

\*\* Cash Credit ₹ 483.70 lakhs (March 31, 2020: NIL) secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at Company's godown, factories and book debts along with receivables of the Company, both present and future and carries Interest @ 7.50% per annum.

#### WCDL taken by the subsidiary Companies

\* Working capital demand loan ₹ 350 lakhs (March 31, 2020: ₹ 350 lakhs) from financial institution is repayable in 90 to 180 days from respective drawdown and carries interest ranging between 8.50% to 9.50% per annum.

\* Working capital demand loan ₹ 500 lakhs (March 31, 2020: NIL) from financial institution is repayable in 90 days from respective drawdown and carries interest@7.25% per annum, pari-passu charged over the current assets of the company.

#### Cash Credits taken by the subsidiary Company

\*\* Cash Credit ₹ 252.64 lakhs (March 31, 2020: 302.41 lakhs) secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at Company's godown, factories and book debts along with receivables of the Company, both present and future and carries Interest @ 7.50% per annum.

#### Customer Finance Facility taken by subsidiary Company

\*\*\* Customer finance includes sale invoice discounting from financial institution (Tata Capital) is repayable in 180 days from respective customer account, the above does not attract any interest from company.

#### Loan covenants

The Group has satisfied all debt covenants prescribed in the terms of bank loans. The other loans do not carry any debt covenant.

The Group has not defaulted on any loans payable.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 22. EMPLOYEE BENEFIT LIABILITIES

	As at March 31, 2021	As at March 31, 2020
<b>Non Current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 39)	109.14	75.91
Provision for leave encashment	521.51	469.64
<b>Total (A)</b>	<b>630.65</b>	<b>545.55</b>
<b>Current</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 39)	811.78	631.84
Provision for leave encashment	732.23	556.43
<b>Total (B)</b>	<b>1,544.01</b>	<b>1,188.27</b>
<b>Total (A+B)</b>	<b>2,174.66</b>	<b>1,733.82</b>
<b>Current</b>	<b>1,544.01</b>	<b>1,188.27</b>
<b>Non- Current</b>	<b>630.65</b>	<b>545.55</b>

#### 23. OTHER LIABILITIES

##### Details of other liabilities

	As at March 31, 2021	As at March 31, 2020
<b>Non Current</b>		
Lease Liabilities	1,868.26	2,135.46
<b>Total (A)</b>	<b>1,868.26</b>	<b>2,135.46</b>
<b>Current</b>		
Statutory dues	1,012.31	900.28
Lease Liabilities	734.36	733.79
Advance from customers	468.20	90.00
Other liabilities (net) (refer note 50)	2,954.51	1,849.86
<b>Total (B)</b>	<b>5,169.38</b>	<b>3,573.93</b>
<b>Total (A+B)</b>	<b>7,037.64</b>	<b>5,709.39</b>
<b>Current</b>	5,169.38	3,573.93
<b>Non-current</b>	1,868.26	2,135.46



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 24. TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
<b>A. Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises (refer note below for details of due to micro and small enterprises)	2,285.71	885.97
- Total outstanding dues of creditors other than micro enterprises and small enterprises	16,835.41	13,544.92
	<b>19,121.12</b>	<b>14,430.89</b>
- Trade payables	17,509.07	11,927.19
- Related parties (refer note 41)	1,612.05	2,503.70
	<b>19,121.12</b>	<b>14,430.89</b>
<b>B. Other payables</b>		
- Other payables	1,357.47	1,308.46
<b>Total</b>	<b>20,478.59</b>	<b>15,739.35</b>

#### Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30 to 90 day terms
- Other payables are non-interest bearing and have an average term of 1 year

For explanations on the group's credit risk management processes, refer note 48.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2021 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the group.

	As at March 31, 2021	As at March 31, 2020
Principal amount due to micro and small enterprises	2,285.71	885.97
Interest due on above	12.34	10.04
	<b>2,298.05</b>	<b>896.01</b>
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
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 MSMED Act 2006.	11.54	31.89
The amount of interest accrued and remaining unpaid at the end of each accounting year.	62.73	98.66
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	3.99	-

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 25. OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
<b>Other financial liabilities at amortized cost</b>		
<b>Current</b>		
Current maturity of vehicle loan (refer note 21)	31.71	51.84
Current maturity of long term loan (refer note 21)	1,968.87	612.50
Amount payable for property, plant and equipment	703.29	797.62
Accrued salaries*	1,667.79	1,292.36
Unsecured deposits from customers	848.22	1,122.90
Unpaid dividends**	21.16	22.54
Interest accrued but not due	15.66	16.40
<b>Total</b>	<b>5,256.70</b>	<b>3,916.15</b>
<b>Current</b>	<b>5,256.70</b>	<b>3,916.15</b>
<b>Non- current</b>	-	-

\* Accrued Salaries includes payable to directors of ₹ 303.20 lakhs (March 31, 2020: ₹ 249.55 lakhs) (Also refer note 41)

\*\*Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. Accordingly, the Holding Company has transferred ₹ 99,978 during the current year (March 31, 2020: ₹ 1,25,808) to the Investor Education and Protection Fund.

#### Breakup of financial liabilities at amortized cost:

	As at March 31, 2021	As at March 31, 2020
Trade payables (refer note 24)	20,478.59	15,739.35
Borrowings non current (refer note 21)	552.42	1,676.23
Borrowings Short term (refer note 21)	4,684.45	7,152.41
Current maturity of long term loan (refer note 25)	1,968.87	612.50
Current maturity of vehicle loan (refer note 25)	31.71	51.84
Unsecured deposits from customers (refer note 25)	848.22	1,122.90
Unpaid dividends (refer note 25)	21.16	22.54
Accrued salaries (refer note 25)	1,667.79	1,292.36
Amount payable for property, plant and equipment (refer note 25)	703.29	797.62
Other Liabilities (refer note 25)	15.66	16.40
<b>Total financial liabilities carried at amortized cost</b>	<b>30,972.16</b>	<b>28,484.15</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 26. REVENUE FROM CONTRACTS WITH CUSTOMERS

The details of revenue from operations is as follows:

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Sale of products</b>		
Finished goods (refer note 50)	85,797.39	88,848.44
Traded goods	21,710.07	20,762.44
<b>Total sale of products (A)</b>	<b>1,07,507.46</b>	<b>1,09,610.88</b>
<b>Sale of services:</b>		
Sale of service	1,450.20	1,659.40
Job work income	412.06	400.05
<b>Total Sale of services (B)</b>	<b>1,862.26</b>	<b>2,059.45</b>
<b>Other operating revenue:</b>		
Scrap sale	104.90	121.44
Mould and tool sale	1,318.23	2,299.60
<b>Total other operating revenue (C)</b>	<b>1,423.13</b>	<b>2,421.05</b>
<b>Revenue from operations (A+B+C)</b>	<b>1,10,792.85</b>	<b>1,14,091.38</b>

#### 26.1 Contract Balances

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Trade Receivables	22,298.19	19,277.49

#### 27. OTHER INCOME

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Other non-operating income</b>		
Interest income		
- On fixed deposits	370.02	429.46
- Others	41.89	16.18
Discount received	59.14	138.66
Liabilities no longer required written back	184.12	197.63
Rental Income	244.78	240.43
Royalty Income	0.31	-
Dividend Income	31.51	282.13
Net change in fair value of investment in equity shares held at FVTPL	182.77	94.58
Net gain on foreign currency transaction and translation	7.59	0.96
Government Grant	11.79	13.97
Gain on sale of fixed assets	258.03	18.25
Miscellaneous income	426.52	377.91
<b>Total</b>	<b>1,818.47</b>	<b>1,810.15</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 28. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Inventory at the beginning of the year	2,335.33	2,617.80
Add: Purchases	59,382.10	59,800.07
Less: Inventory at the end of the year	(3,195.02)	(2,335.33)
<b>Cost of raw materials and components consumed</b>	<b>58,522.41</b>	<b>60,082.54</b>

#### 28 (a) PURCHASE OF TRADED GOODS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Automotive Lamps/Components	15,861.99	15,484.12
<b>Purchase of Traded Goods</b>	<b>15,861.99</b>	<b>15,484.12</b>

#### 29. COST OF MOULDS CONSUMED

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Inventory at the beginning of the year	1,077.73	586.87
Add: Purchases made during the year	1,753.70	2,478.59
Less: Inventory at the end of the year	(1,680.41)	(1,077.73)
<b>Cost of moulds consumed</b>	<b>1,151.02</b>	<b>1,987.73</b>

#### 30. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Opening stock</b>		
- Finished goods	698.28	835.14
- Traded Goods	1,622.56	1,011.06
- Work-in progress	367.63	526.67
<b>Total (A)</b>	<b>2,688.47</b>	<b>2,372.87</b>
<b>Closing stock</b>		
- Finished goods	871.62	698.28
- Traded Goods	1,834.97	1,622.56
- Work-in progress	443.05	367.63
<b>Total (B)</b>	<b>3,149.64</b>	<b>2,688.47</b>
<b>Changes in inventories</b>		
- Finished goods	(173.34)	136.86
- Traded Goods	(212.41)	(611.50)
- Work-in progress	(75.42)	159.04
<b>(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)</b>	<b>(461.17)</b>	<b>(315.60)</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 31. EMPLOYEE BENEFITS EXPENSE

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries, wages and bonus	11,874.58	12,044.90
Contributions to provident and other funds	530.75	506.44
Gratuity expense (refer note 39)	208.24	189.49
Staff welfare expense	626.99	736.98
<b>Total</b>	<b>13,240.56</b>	<b>13,477.81</b>

The Code on Social Security 2020 (Code), which received the Presidential Assent on September 28, 2020, subsumes nine laws relating to social security, retirement and employee benefits, including the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972. The effective date of the Code is yet to be notified and related rules are yet to be framed. The impact of the change, if any, will be assessed and recognized post notification of the relevant provisions.

#### 32. FINANCE COSTS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest on term loans	162.05	129.37
Interest on working capital	532.84	554.28
Interest paid to others	287.28	272.58
<b>Total</b>	<b>982.17</b>	<b>956.24</b>

#### 33. DEPRECIATION AND AMORTIZATION EXPENSE

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Depreciation of tangible assets (refer note 3)	2,754.18	2,879.03
Amortization of intangible assets (refer note 4)	77.95	78.99
Depreciation of investment property (refer note 6)	57.41	57.41
Amortization of right to use assets (refer note 5)	525.60	435.48
<b>Total</b>	<b>3,415.14</b>	<b>3,450.92</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 34. OTHER EXPENSES

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Freight and forwarding charges	1,942.69	1,801.44
Job work charges	1,925.81	1,972.03
Power and fuel	1,782.03	1,962.75
Consumables	1,160.29	1,252.85
Travelling and conveyance	410.04	879.14
Packing material consumed	1,012.01	991.10
Rent	226.51	238.90
Legal and professional fees	384.15	607.24
<b>Repairs and maintenance</b>		
- Plant and machinery	1,009.25	1,247.84
- Building	269.32	124.09
- Others	287.67	399.79
Communication cost	85.57	104.97
Bank Charges	22.02	30.46
Design, support and testing charges	97.66	169.57
Rates and taxes	158.93	253.01
Payment to auditors (refer details below)*	67.60	65.69
Insurance	121.88	162.15
CSR expenditure (refer details below)**	176.40	187.72
Printing and stationery	50.97	86.76
Advertisement and sales promotion	99.71	182.73
Director's sitting fees	15.40	23.20
Management fees	399.74	383.18
Exchange difference (net)	13.43	82.10
Provision for doubtful debts and advances	46.68	105.10
Outstanding balances written off	1.20	56.77
Royalty	217.68	198.12
Warranty	33.36	77.97
Loss on sales of Property plant and equipments (net)	35.52	1.38
Miscellaneous expenses	623.14	631.34
<b>Total</b>	<b>12,676.66</b>	<b>14,279.39</b>

#### \*Payment to Auditor (excluding applicable taxes)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>As Auditor:</b>		
Audit Fee	30.75	35.75
Tax Audit Fee	1.75	1.75
Limited Review	9.00	9.00
<b>In other Capacity:</b>		
Certification fees	0.50	-
Reimbursement of expenses	1.65	2.18

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Auditor of Subsidiaries:</b>		
Audit Fee	18.04	8.93
Tax Audit Fee	2.26	3.06
Limited Review	1.08	2.78
<b>In other Capacity:</b>		
Certification and Other services	2.57	2.24
<b>Total</b>	<b>67.60</b>	<b>65.69</b>

#### \*\*Details of CSR expenditure:

		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
(a)	Gross amount required to be spent by the group during the year	170.41	171.50
(b)	Amount approved by the Board to be spent during the year	170.41	171.50
(c)	Amount spent during the year ending on March 31, 2021:	<b>In Cash</b>	<b>Yet to be paid in Cash</b>
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above in cash	176.40	-
			<b>Total</b>
			176.40
(d)	Amount spent during the year ending on March 31, 2020:	<b>In Cash</b>	<b>Yet to be paid in Cash</b>
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above in cash	187.72	-
			<b>Total</b>
			187.72
(e)	Details related to spent / unspent obligations:	<b>For the Year Ended March 31, 2021</b>	<b>For the Year Ended March 31, 2020</b>
	i) Contribution to Public Trust	-	-
	ii) Contribution to Charitable Trust	176.40	187.72
	iii) Unspent amount in relation to:		
	Ongoing project	-	-
	Other than ongoing project	-	-

#### In case of Section 135(5) Excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	170.41	176.40	(5.99)

#### 35. EXCEPTIONAL ITEM

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Scrap of Building	63.00	-
<b>Total</b>	<b>63.00</b>	<b>-</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 36. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

##### The disaggregation of changes to OCI by each type of reserve in equity

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Re-measurement (loss) on defined benefit plans	(73.03)	(29.14)
Deferred tax thereon	7.82	7.24
Gain / (loss) on FVTOCI equity securities	3,925.98	(5,113.50)
Deferred tax thereon	(7.66)	48.87
	<b>3,853.11</b>	<b>(5,086.53)</b>

#### 37. EARNINGS PER SHARE (EPS)

- a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
- c) **The following reflects the income and share data used in the basic and diluted EPS computations:**

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
<b>Profit attributable to the equity holders of the Group</b>		
Continuing Operations (excluding non- controlling interest)	4,712.96	4,978.60
Discontinued Operations	-	825.29
<b>Total profit attributable to the equity holders of the Group</b>	<b>4,712.96</b>	<b>5,803.89</b>
Weighted average number of equity shares for basic and diluted EPS (in lakhs)	681.58	681.58
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Continuing Operations (₹)	6.91	7.30
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Discontinued Operations (₹)	-	1.21
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Continuing and Discontinued Operations (₹)	6.91	8.52

- d) There has not been any transactions involving equity shares or potential equity shares between the reporting date and the date of authorization of these consolidated financial statements.



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 38 GROUP INFORMATION

##### a) Information about subsidiaries and joint ventures

The Consolidated financial statements of the Group includes subsidiaries and Joint venture listed in the below table:

Name	Relationship	Principal activities	Country of incorporation	% Equity interest	
				March 31, 2021	March 31, 2020
Lumax Mannoh Allied Technologies Limited	Subsidiary	Manufacturing of Automobile Components	India	55%	55%
Lumax Integrated Ventures Private Limited	Subsidiary	Investment Company	India	100%	100%
Lumax Management Services Private Limited	Subsidiary	Service provider	India	100%	100%
Lumax Cornaglia Auto Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	50%	50%
Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)*	Subsidiary	Manufacturing of Automobile Components	India	100%	50%
Lumax FAE Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	51%	51%
Lumax JOPP Allied Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	50%	50%
Lumax Yokowo Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	100%	100%
Lumax Ituran Telematics Private Limited	Joint venture	Manufacturing of Automobile Components	India	50%	50%

##### b) Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Principal activities	Country of incorporation	% Equity interest held by non-controlling parties	
			As at March 31, 2021	As at March 31, 2020
Lumax Mannoh Allied Technologies Limited	Manufacturing of Automobile Components	India	45%	45%
Lumax Cornaglia Auto Technologies Private Limited	Manufacturing of Automobile Components	India	50%	50%
Lumax FAE Technologies Private Limited	Manufacturing of Automobile Components	India	49%	49%
Lumax JOPP Allied Technologies Private Limited	Manufacturing of Automobile Components	India	50%	50%
Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)*	Manufacturing of Automobile Components	India	-	50%

\* On October 15, 2020, the Holding Company has acquired balance stake from the JV partner, Gill Austem LLC in respect of Lumax Gill-Austem Auto Technologies Private Limited (Now Lumax Mettalics Private Limited).

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### c) Information regarding non-controlling interest

	March 31, 2021	March 31, 2020
<b>Accumulated balances of material non-controlling interest</b>	<b>4,036.62</b>	<b>4,214.07</b>
<b>Total Comprehensive income/(loss) allocated to material non-controlling interest</b>		
- Lumax Mannoh Allied Technologies Limited	473.00	514.22
- Lumax Cornaglia Auto Technologies Private Limited	328.54	22.52
- Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)*	(200.84)	(367.47)
- Lumax FAE Technologies Private Limited	(144.27)	(3.63)
- Lumax JOPP Allied Technologies Private Limited	(59.10)	(36.86)

\* With effect from October 15, 2020, became the wholly owned subsidiary of the Holding Company.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### d) Summarized statement of profit and loss for the year ended March 31, 2021

	Lumax Mannoh Allied Technologies Limited	Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited**	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Total Income	12,429.02	1,350.80	-	-	-	-	2,329.12	150.02	138.41	7,418.51	-
Consumption*	7,832.96	800.49	-	-	-	-	-	136.44	102.47	4,377.92	-
Other expenses (including Employee benefit and depreciation)	3,076.78	900.59	4.19	0.54	0.89	(2.60)	2,056.81	182.02	152.13	2,045.96	6.38
Finance costs	89.56	36.08	-	-	-	-	50.92	77.87	0.09	166.64	0.00
<b>Profit/(loss) before tax and Exceptional item</b>	<b>1,429.72</b>	<b>(386.37)</b>	<b>(4.19)</b>	<b>(0.54)</b>	<b>(0.89)</b>	<b>2.60</b>	<b>221.39</b>	<b>(246.31)</b>	<b>(116.28)</b>	<b>827.99</b>	<b>(6.38)</b>
Exceptional item	-	-	-	-	-	-	(63.00)	-	-	-	-
<b>Profit/(loss) before tax</b>	<b>1,429.72</b>	<b>(386.37)</b>	<b>(4.19)</b>	<b>(0.54)</b>	<b>(0.89)</b>	<b>2.60</b>	<b>158.39</b>	<b>(246.31)</b>	<b>(116.28)</b>	<b>827.99</b>	<b>(6.38)</b>
Income tax	369.04	65.03	-	-	-	-	22.32	49.12	(0.06)	171.27	-
<b>Profit/(loss) for the year</b>	<b>1,060.68</b>	<b>(451.40)</b>	<b>(4.19)</b>	<b>(0.54)</b>	<b>(0.89)</b>	<b>2.60</b>	<b>136.07</b>	<b>(295.43)</b>	<b>(116.22)</b>	<b>656.72</b>	<b>(6.38)</b>
<b>Total comprehensive income/(loss) for the year, net of tax (comprising net profit/(loss) for the year and other comprehensive income)</b>	<b>1,051.12</b>	<b>(451.77)</b>	<b>(4.19)</b>	<b>(0.54)</b>	<b>(0.89)</b>	<b>2.60</b>	<b>146.42</b>	<b>(295.43)</b>	<b>(118.19)</b>	<b>657.07</b>	<b>(6.38)</b>
Attributable to non-controlling interests	473.00	(200.84)	-	-	-	-	-	(144.26)	(59.10)	328.52	-
Dividends paid to non-controlling interests	(78.31)	-	-	-	-	-	-	-	-	-	-

\* Consumption include cost of raw material consumed, cost of mould consumed and changes in finished goods, raw material and work in progress and purchase of traded goods.

\*\*Sipal Engineering Private Limited being associate of Lumax Integrated Ventures Private Limited has not been presented as a part of the above disclosure.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### e) Summarized statement of profit and loss for the year ended March 31, 2020

	Lumax Mannoh Allied Technologies Limited	Lumax Gill Austem Auto Technologies Private Limited	Lumax Integrated Ventures Private Limited**	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Total Income	12,647.38	2,554.44	-	-	164.40	-	2,593.28	4.20	0.77	4,769.32	-
Consumption*	7,770.80	1,918.69	-	-	142.89	-	-	-	0.04	2,934.60	-
Other expenses (including Employee benefit and depreciation)	3,264.98	1,318.23	1.34	0.75	36.46	(0.75)	2,435.75	11.60	73.49	1,709.19	-
Finance costs	107.19	52.37	-	-	-	-	67.60	0.00	-	153.94	-
<b>Profit/(loss) before tax</b>	<b>1,504.41</b>	<b>(734.85)</b>	<b>(1.34)</b>	<b>(0.75)</b>	<b>(14.95)</b>	<b>0.75</b>	<b>89.93</b>	<b>(7.40)</b>	<b>(72.76)</b>	<b>(28.41)</b>	-
Income tax	371.32	0.00	-	-	2.22	-	63.74	-	0.84	(68.16)	-
<b>Profit/(loss) for the year</b>	<b>1,133.10</b>	<b>(734.85)</b>	<b>(1.34)</b>	<b>(0.75)</b>	<b>(17.18)</b>	<b>0.75</b>	<b>26.18</b>	<b>(7.40)</b>	<b>(73.60)</b>	<b>39.74</b>	-
<b>Total comprehensive income/(loss) for the year, net of tax (comprising net profit/(loss) for the year and other comprehensive income)</b>	<b>1,142.70</b>	<b>(734.94)</b>	<b>(1.34)</b>	<b>(0.75)</b>	<b>(17.18)</b>	<b>0.75</b>	<b>30.26</b>	<b>(7.40)</b>	<b>(73.72)</b>	<b>45.04</b>	-
Attributable to non-controlling Interests	514.22	(367.47)	-	-	-	-	-	(3.63)	(36.86)	22.52	-
Dividends paid to non-controlling Interests (including DDT)	(472.05)	-	-	-	-	-	-	-	-	-	-

\* Consumption include cost of raw material consumed, cost of mould consumed and changes in finished goods, raw material and work in progress and purchase of traded goods.

\*\*Sipal Engineering Private Limited being associate of Lumax Integrated Ventures Private Limited has not been presented as a part of the above disclosure.

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### f) Summarized balance sheet as at March 31, 2021

	Lumax Mannoh Allied Technologies Limited	Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Adjustments	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Inventories and cash and cash equivalents, other bank balance	3,969.36	313.06	2.22	0.02	2.26	-	-	353.51	461.00	157.95	1,964.95	16.26
Non current assets and current assets except shown above	5,887.84	1,795.54	74.91	(0.00)	0.00	1.35	13.53	6,973.37	2,701.36	221.03	5,500.24	0.43
Trade and other payable and current liability, provisions	(4,908.16)	(1,225.70)	(1.25)	(0.60)	(0.59)	-	(13.53)	(1,333.42)	(2,182.62)	(119.82)	(3,365.71)	(2.07)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(24.66)	-	-	-	-	-	-	(201.63)	(897.93)	(0.07)	(799.81)	-
<b>Total equity</b>	<b>4,924.38</b>	<b>882.90</b>	<b>75.87</b>	<b>(0.58)</b>	<b>1.67</b>	<b>1.35</b>	<b>-</b>	<b>5,791.82</b>	<b>81.81</b>	<b>259.09</b>	<b>3,299.68</b>	<b>14.62</b>
<b>Attributable to:</b>												
Equity holders of parent	2,707.09	882.90	75.87	(0.58)	1.67	1.35	-	5,791.82	41.86	129.55	1,649.84	14.62
Non-controlling interest	2,217.29	-	-	-	-	-	-	-	39.95	129.55	1,649.84	-

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### g) Summarized balance sheet as at March 31, 2020

	Lumax Mannoh Allied Technologies Limited	Lumax Gill Austem Auto Technologies Private Limited	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax Allied JOPP Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Inventories and cash and cash equivalents, other bank balance	3,019.64	261.52	1.28	0.41	2.56	-	132.38	54.46	30.60	1,717.50	1.00
Non current assets and current assets except shown above	4,533.38	1,649.30	77.50	0.06	-	(25.73)	7131.24	1,813.27	60.95	4,988.34	-
Trade and other payable and current liability, provisions	(3,448.97)	(1,171.92)	(0.71)	(0.50)	-	0.23	(1,294.28)	(860.17)	(13.47)	(2,625.83)	-
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(56.76)	(104.22)	-	-	(0.24)	-	(327.11)	(630.32)	(0.81)	(1,437.40)	-
<b>Total equity</b>	<b>4,047.29</b>	<b>634.67</b>	<b>78.07</b>	<b>(0.04)</b>	<b>2.32</b>	<b>(25.50)</b>	<b>5,642.23</b>	<b>377.24</b>	<b>77.28</b>	<b>2,642.61</b>	<b>1.00</b>
<b>Attributable to:</b>											
Equity holders of parent	2,226.01	317.34	78.07	(0.04)	2.32	(25.50)	5,642.23	188.62	38.64	1,321.30	1.00
Non-controlling interest	1,821.28	317.34	-	-	-	-	-	188.62	38.64	1,321.30	-

### h) Summarized Cash flow for the year ended March 31, 2021

	Lumax Mannoh Allied Technologies Limited	Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax Allied JOPP Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Operating activities	547.58	(343.95)	(3.65)	(0.38)	(0.30)	27.08	383.04	(753.76)	(113.10)	892.35	(4.74)
Investing activities	(205.57)	(163.65)	2.59	-	-	(27.08)	15.67	(726.95)	(105.45)	(71.49)	-
Financing activities	(385.32)	555.64	2.00	-	-	-	(177.58)	1,821.88	299.91	(562.08)	20.00
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(43.31)</b>	<b>48.04</b>	<b>0.94</b>	<b>(0.38)</b>	<b>(0.30)</b>	<b>-</b>	<b>221.13</b>	<b>341.17</b>	<b>81.36</b>	<b>258.78</b>	<b>15.26</b>

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### i) Summarized Cash flow for the year ended March 31, 2020

	Lumax Mannoh Allied Technologies Limited	Lumax Gill Austem Auto Technologies Private Limited	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Operating activities	1,036.22	708.71	(0.89)	(0.23)	(2.25)	10.49	181.51	1,009.27	(77.28)	(539.93)	-
Investing activities	(165.12)	(676.51)	(0.50)	-	1.83	(10.01)	(525.39)	(1,450.77)	(44.42)	(458.34)	-
Financing activities	(1,318.34)	(41.39)	2.00	0.50	-	(0.50)	256.46	325.92	151.00	997.83	1.00
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(447.24)</b>	<b>(9.19)</b>	<b>0.61</b>	<b>0.27</b>	<b>(0.42)</b>	<b>(0.02)</b>	<b>(87.42)</b>	<b>(115.58)</b>	<b>29.30</b>	<b>(0.44)</b>	<b>1.00</b>

### j) Interest in joint venture

The Group has a 50% interest in Lumax Ituran Telematics Private Limited, a joint venture involved in the manufacture of some of the Group's main product lines in automotive equipment in India. The Group's interest in Lumax Ituran Telematics Private Limited is accounted for using the equity method in the consolidated financial statements. Summarized financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

#### a) Summarized balance sheet of Lumax Ituran Telematics Private Limited

	As at March 31, 2021	As at March 31, 2020
Inventories and cash and cash equivalents, other bank balance	55.80	16.05
Non current assets and current assets except shown above	42.55	66.86
Trade and other payable and current liability, provisions	(43.86)	(29.80)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(2.21)	(6.41)
Equity	52.28	46.70
Proportion of the Group's ownership	50%	50%
Carrying amount of the investment	26.19	23.40

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### b) Summarized statement of profit and loss of the Lumax Ituran Telematics Private Limited:

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Total Income	114.46	4.07
Cost of raw material and components consumed	96.68	3.56
Depreciation & amortization	4.30	2.16
Employee benefit	60.09	47.35
Other expense	21.61	32.17
<b>Loss before tax</b>	<b>(68.22)</b>	<b>(81.17)</b>
Income tax expense	(0.58)	0.04
<b>Loss for the year</b>	<b>(67.64)</b>	<b>(81.21)</b>
<b>Total comprehensive loss for the year</b>	<b>(67.64)</b>	<b>(81.21)</b>
<b>Group's share of Loss for the year</b>	<b>(33.82)</b>	<b>(40.61)</b>

The group had no contingent liabilities or capital commitments relating to its interest in Lumax Ituran Telematics Private Limited as at March 31, 2021. The joint venture had no other contingent liabilities or capital commitments as at March 31, 2021. Lumax Ituran Telematics Private Limited cannot distribute its profits until it obtains the consent from the two venture partners.

- c) Sipal Engineering Private Limited being associate of Lumax Integrated Ventures Private Limited has not been presented as a part of the above disclosure.

#### 39. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group offers the employee benefit schemes of Gratuity to its employees. Benefits payable to eligible employees of the Group with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

##### a) Defined contribution plans

During the year, the group has recognized the following amounts in the statement of profit and loss :

	March 31, 2021	March 31, 2020
Employer's contribution to provident fund & Other funds	530.75	506.44

##### b) Defined Benefit Obligation

The following tables summarize the components of net benefit expense recognized in the Statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
<b>Cost for the year included under employee benefit</b>		
Current service cost	159.50	150.00
Interest cost	42.76	37.18
Actuarial (gain) / loss recognized in the year in Other comprehensive income	-	0.12
Transfer in /out	5.98	2.18
<b>Net benefit expense</b>	<b>208.24</b>	<b>189.49</b>



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### c) Amounts recognized in statement of other comprehensive income (OCI)

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
<b>Amounts recognized in statement of other comprehensive income (OCI)</b>		
Opening amount recognized in OCI outside statement of profit and loss	(26.97)	(56.11)
Remeasurement for the year - Obligation (Gain) / Loss	76.62	27.12
Remeasurement for the year - Plan Assets (Gain) / Loss	(3.59)	2.02
Total remeasurement Cost / (Credit) for the year recognized in OCI	73.03	29.14
Closing amount recognized in OCI outside statement of profit and loss	46.06	(26.97)

#### d) Mortality table

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
<b>Mortality table</b>	IALM(2012-14) ult	IALM(2012-14) ult
<b>Economic assumptions</b>		
1 Discount rate	6.30%	6.20%
2 Rate of increase in compensation levels - for first two years	8.00%	0.00%
- Thereafter	8.00%	8.00%
3 Rate of return on plan assets	6.20%	7.50%
<b>Demographic assumptions</b>		
1 Expected average remaining working lives of employees (years)	9.59	9.52
2 Retirement Age (years)	58 years	58 years
3 Mortality Rate	Indian Assured Lives Mortality (2012-14) ultimate	
<b>Withdrawal Rate</b>		
1 upto 30 years	8.00%	8.00%
2 Ages from 31-40	8.00%	8.00%
3 Ages from 41-50	8.00%	8.00%
4 Above 50 years	8.00%	8.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

**e) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.**

**Gratuity**

	March 31, 2021	March 31, 2020
Benefit obligation as at the beginning of the year	1,416.23	1,212.77
Transfer in/(out)	5.98	1.17
Current service cost	159.50	150.00
Interest cost	86.97	89.14
Benefit paid	(111.56)	(66.20)
Actuarial loss/(gain)	74.51	29.35
<b>Gross Liability</b>	<b>1,631.63</b>	<b>1,416.24</b>

**f) Table showing changes in the fair value of plan assets :**

	March 31, 2021	March 31, 2020
Opening fair value of plan assets	708.46	685.98
Transfer in/(out)	-	(1.01)
Expected return on plan assets	43.90	50.88
Contribution made during the year	7.73	43.28
Benefits paid	(51.98)	(57.25)
Mortality charges	(1.29)	(10.26)
Amount paid on settlement	-	(1.76)
Actuarial gain on plan assets	3.89	(1.40)
<b>Closing fair Value of Plan asset</b>	<b>710.71</b>	<b>708.46</b>

**g) Benefit (asset) / liability :**

	March 31, 2021	March 31, 2020
Present value of defined benefit obligation	1,631.63	1,416.23
Fair value of plan assets	710.71	708.46
<b>Net (assets) / liability</b>	<b>920.92</b>	<b>707.77</b>

**h) Major category of plan assets (As a % of total plan assets)**

	March 31, 2021	March 31, 2020
Investment with the insurer	100%	100%

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

- i) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 and March 31, 2020 is as shown below:

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
<b>A. Discount rate</b>		
Effect on DBO due to 1% increase in Discount rate	1,525.94	932.61
Effect on DBO due to 1% decrease in Discount rate	1,751.57	(1,023.57)
<b>B. Salary escalation rate</b>		
Effect on DBO due to 1% increase in Salary Escalation rate	1,728.53	1,021.43
Effect on DBO due to 1% decrease in Salary Escalation rate	1,543.23	(865.86)
<b>C. Withdrawal rate</b>		
Effect on DBO due to 1% increase in Withdrawal rate	1,621.90	974.09
Effect on DBO due to 1% decrease in Withdrawal rate	1,642.57	(939.76)

- j) The expected benefit payments in future years is as follows:

	March 31, 2021	March 31, 2020
March 31, 2021	-	200.12
March 31, 2022	223.25	142.65
March 31, 2023	164.18	140.14
March 31, 2024	133.43	112.09
March 31, 2025	219.00	184.89
March 31, 2026	249.36	-
March 31, 2027 to March 31, 2031 (PY March 31, 2026 to March 31, 2030)	1,135.04	922.03

#### 40. COMMITMENTS AND CONTINGENCIES

- (a) Capital and other commitments

- (1) Estimated amount of contracts remaining to be executed on capital account and not provided for:

Capital commitments are ₹ 476.87 Lakhs (As at March 31, 2020 ₹ 1475.69 lakhs), net of advances.

- (2) Undrawn committed borrowing facility

The Group has availed fund based and non fund based working capital limits amounting to ₹ 17,300.00 lakhs (March 31, 2020 : ₹ 19,500 lakhs) from banks and financial institutions. An amount of ₹ 11,712.75 lakhs remain undrawn as at March 31, 2021 (March 31, 2020 : ₹ 9,285.16 lakhs). Further, the limit availed is secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at group's godown, factories and book debts along with receivables of the group, both present and future.

- (b) Contingent liabilities

	As at March 31, 2021	As at March 31, 2020
<b>Claims against the group not acknowledged as debts</b>		
<b>Holding Company</b>		
In respect of Assessment Year ("A.Y.") 2012 - 13, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to ₹ 11.85 Lakhs against which demand raised for tax amounting ₹ 3.85 lakhs. The Company has preferred an appeal with Commissioner of Income Tax (Appeals) "CIT(A)" against the same. The Company has preferred an appeal with Income Tax Appellate Tribunal (ITAT) against order of CIT(A). During the year, the Company has received a favorable ITAT order.	-	3.85

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
In respect of A.Y. 2015 - 16, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 amounting to ₹ 8.11 Lakhs against which demand raised against the same amounting to ₹ 2.76 lakhs. The Company has preferred an appeal with CIT(A) against the same and got rejected and further the Company filed appeal with ITAT.	2.76	2.76
In respect of A.Y. 2017-18, the CPC had served notice for adjustment u/s 143(1)(a)(iv) to the income of the Company on account of late deposit of PF and ESI amounting to ₹ 49.32 lakhs based on wrong reporting of date of deposit by Tax Auditor in TAX Audit Report. The Company has filed Revised Return and Tax Auditor has filed Revised Tax Audit Report. The Company has received refund order from the Income tax department.	-	13.95
Demand from Employee State Insurance	0.90	0.90
The Company had received income tax order under Section 143(3) dated December 30, 2019 related to A.Y. 2018-19 on account of search and seizure operation for which company had received demand of ₹ 1033.28 lakhs including interest u/s 234ABC in respect of above matter for which the Company had filed the appeal and rectification letter to income tax authorities. On June 07, 2021, the Company has received a favourable order in this regard from CIT(A). The management is confident that matter shall also be eventually settled in its favour and hence no provision is considered necessary.	1,033.28	1,033.28
During the previous year, the Company had received the show cause notice cum demand from the Assistant Commissioner of the goods and services tax, Nashik Aurangabad, alleging that the company had availed the cenvat credit of ₹ 0.049 lakhs twice on the same invoice one in the month of January 2017 and then again in the subsequent month. Furthermore, Company had also availed the cenvat credit of ₹ 0.98 lakhs during the month of March 2017 and April 2017. Thus there was demand cum show cause notice of ₹ 1.03 lakhs for inadmissible credit availed by the company which was paid during the current year and the case was closed.	-	1.03
During the previous year, the Company had received demand cum show cause notice of ₹ 17.15 lakhs from the assistance commissioner of goods and services tax alleging that the company had availed the cenvat credit on the basis of invoices which are not fulfilling the particulars as specified under Rule 4A of the Service Tax Rules, 1994. The Company submitted the reply along with the relevant documents to the department and subsequently the case was dropped by the department in its order dated November 26, 2020.	-	17.15
During the previous year, the Company had received demand cum show cause Notice from the department alleged that the company had availed the duty drawback on the basis of unrealized sale proceeds and thus the duty drawback of ₹ 19.24 lakhs should be recovered from the company against such shipping bills. The company has filed the reply to the assistant commissioner of customs Inland Container Depot (ICD), Tughlakabad, dated February 07, 2020 against the above show cause notice where in the company has surrendered the Duty Drawback of ₹ 0.52 lakhs along with interest to the ICD, Tughlakabad, New Delhi.	19.24	19.24
During the year, the Company has received show cause Notice dated June 08, 2020 from the department alleged that the company has availed the Excise Duty of ₹ 32.14 lakhs on amortization of Drawing & Design sent by one of the customer of the Company on FOC basis.	32.14	-
<b>Subsidiaries:</b>		
During the year, received show cause Notice of ₹ 1.32 lakhs from the department for customs classification dispute for which reply has been filed to the department.	1.32	-

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

- (c) The Holding Company had entered into an agreement with the Bhosari Unit Workmen Union on September 13, 2003, vide which option for VRS was given to the workers of the Holding Company. Accordingly, benefits under the said scheme were paid to 27 workmen who opted for the scheme. Out of these 27 workmen, 20 workmen later filed a case against the Holding Company on the grounds of Unfair Labour Practices at the Labour court. The Court has passed an order in the favour of the workmen on June 26, 2019. Further, the Holding Company has challenged the said order and filed revision application dated July 26, 2019 in the Industrial Court, Pune on the grounds that the said order is defective and bad at law. The Holding Company is of the view, based on the advice of the case advocate, that the final outcome of the case would be in the favour of the Holding Company and hence, no provision has been made in the books of accounts.
- (d) In regard to the bill discounting of invoices with bank by one of Holding Company's vendor (Transporter), the bank had filed an application under Section 19 of the Recovery of Debts due to Banks and Financial Institution Act, 1993 before the Ld. DRT-II, Chandigarh for recovery of ₹ 999.76 lakhs and interest thereon @ 13.75% p.a. from holding company, vendor and other parties. The Holding Company and other parties including vendor has received an order dated February 25, 2019 from Debts Recovery Tribunal- II, Chandigarh for demanding the above amount jointly and severally. The Holding Company has filed an appeal before Debt Recovery Appellate Tribunal (DRAT) dated March 13, 2020 against ₹ 782.24 lakhs (decretal amount to which the Holding Company is a defendant party) along with interest 13.75% p.a. and deposited 25% of decretal amount in current year. The Holding Company is of the view, based on the advice of the case advocate, that the final outcome of the case would be in the favour of the Holding Company and hence, no provision has been made in the books of accounts.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 41. RELATED PARTY DISCLOSURES

##### Names of related parties and related party relationship

S. No.	Relationship	Name of Related Parties
1	Key Management Personnel	Mr D. K. Jain (Chairman)
		Mr Anmol Jain (Managing Director)
		Mr Deepak Jain (Director)
		Mr Tomoki Mori (Director)
		Mr Shuji Horie (Director)
		Mr Naval Khanna (Director)
		Mr Sanjay Mehta (Director)
		Mr Ashish Dubey (CFO)
		Mr Anil Tyagi (Company Secretary)
2	Relatives of Key Management Personnel	Mrs Shivani Jain (Wife of Mr Anmol Jain)
		Mrs Poysha Goyal Jain (Wife of Mr Deepak Jain)
3	Non Executive Director	Mr Arun Kumar Malhotra
		Mr Avinash Parkash Gandhi
		Mr Kanchan Kumar Gandhi (Resigned w.e.f. February 01, 2021)
		Mr Roop Salotra
		Mr Milap Jain
		Mrs Diviya Chanana
4	Joint Venture	Lumax Ituran Telematics Private Limited
5	Associate of Step down subsidiary (Associate of Lumax Integrated Ventures Private Limited)	Sipal Engineering Private Limited
6	Enterprises owned or significantly influenced by Key Management Personnel and / or their relatives	Lumax Industries Limited
		Lumax Finance Private Limited
		Lumax Ancillary Limited
		Mahavir Udyog
		D.K. Jain & Sons (HUF)
		Bharat Enterprises
		D.K. Jain Family Trust
		Lumax Tours & Travels Limited
		Lumax Charitable Foundation
		Mannoh Industrial Co. Limited
		Francisco Albero S.A.U. (Spain)
		PT MTAT Indonesia
		Officine Metallurgiche G. Cornaglia SPA (Italy)
		Cornaglia Centro Ricerche (Italy)
		Cor-Filters (Italy)
		M&T Allied Technologies Co. Limited

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>TRANSACTIONS</b>								
<b>Sale of Raw Materials and Components</b>								
Lumax Industries Limited	-	-	39.74	73.18	-	-	39.74	73.18
Lumax Ancillary Limited	-	-	288.13	391.19	-	-	288.13	391.19
Bharat Enterprises	-	-	0.34	1.39	-	-	0.34	1.39
M&T Allied Technologies Co. Limited	-	-	-	12.22	-	-	-	12.22
Mannoh Industrial Co. Limited	-	-	-	4.44	-	-	-	4.44
PT MTAT Indonesia	-	-	-	2.26	-	-	-	2.26
<b>Total</b>	-	-	<b>328.21</b>	<b>484.68</b>	-	-	<b>328.21</b>	<b>484.68</b>
<b>Sale of Traded Goods</b>								
Lumax Industries Limited	-	-	-	0.35	-	-	-	0.35
Lumax Charitable Foundation	-	-	-	7.66	-	-	-	7.66
<b>Total</b>	-	-	-	<b>8.01</b>	-	-	-	<b>8.01</b>
<b>Sale of Finished Goods</b>								
Lumax Industries Limited	-	-	12,165.76	15,367.83	-	-	12,165.76	15,367.83
Lumax Ancillary Limited	-	-	877.91	805.13	-	-	877.91	805.13
Mannoh Industrial Co. Limited	-	-	109.53	-	-	-	109.53	-
M&T Allied Technologies Co. Limited	-	-	9.82	-	-	-	9.82	-
PT MTAT Indonesia	-	-	0.63	-	-	-	0.63	-
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	-	4.90	-	-	-	4.90
Cor-Filters (Italy)	-	-	104.08	124.74	-	-	104.08	124.74
<b>Total</b>	-	-	<b>13,267.73</b>	<b>16,302.60</b>	-	-	<b>13,267.73</b>	<b>16,302.60</b>
<b>Sale of Capital Goods</b>								
Lumax Ancillary Limited	-	-	2.22	1.42	-	-	2.22	1.42
Lumax Industries Limited	-	-	-	2,661.80	-	-	-	2,661.80
<b>Total</b>	-	-	<b>2.22</b>	<b>2,663.22</b>	-	-	<b>2.22</b>	<b>2,663.22</b>

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Availing of Services</b>								
Lumax Industries Limited	-	-	50.44	40.14	-	-	50.44	40.14
Lumax Tours & Travels Limited	-	-	17.05	249.35	-	-	17.05	249.35
Francisco Alberro S.A.U	-	-	-	132.99	-	-	-	132.99
PT MTAT Indonesia	-	-	0.12	-	-	-	0.12	-
M&T Allied Technologies Co. Limited	-	-	3.81	-	-	-	3.81	-
Mannoh Industrial Co. Limited	-	-	26.95	-	-	-	26.95	-
Sipal Engineering Private Limited	-	-	-	-	0.36	-	0.36	-
Lumax Ancillary Limited	-	-	22.00	20.77	-	-	22.00	20.77
<b>Total</b>	-	-	<b>120.37</b>	<b>443.25</b>	<b>0.36</b>	-	<b>120.73</b>	<b>443.25</b>
<b>Rendering of Services</b>								
Lumax Ancillary Limited	-	-	3.06	0.15	-	-	3.06	0.15
Lumax Industries Limited	-	-	1,343.03	1,556.97	-	-	1,343.03	1,556.97
Bharat Enterprises	-	-	0.18	-	-	-	0.18	-
Lumax Tours & Travels Limited	-	-	-	2.25	-	-	-	2.25
Sipal Engineering Private Limited	-	-	-	-	11.80	-	11.80	-
Cornaglia Centro Ricerche	-	-	58.53	-	-	-	58.53	-
Mahavir Udyog	-	-	0.38	7.25	-	-	0.38	7.25
Lumax Ituran Telematics Private Limited	-	-	-	-	0.21	-	0.21	-
<b>Total</b>	-	-	<b>1,405.17</b>	<b>1,566.62</b>	<b>12.01</b>	-	<b>1,417.19</b>	<b>1,566.62</b>
<b>Rent Received</b>								
Lumax Tours & Travels Limited	-	-	6.20	7.08	-	-	6.20	7.08
Lumax Ituran Telematics Private Limited	-	-	-	-	0.89	-	0.89	-
Lumax Industries Limited	-	-	270.89	246.11	-	-	270.89	246.11
<b>Total</b>	-	-	<b>277.08</b>	<b>253.19</b>	<b>0.89</b>	-	<b>277.97</b>	<b>253.19</b>



## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Rent Paid</b>								
Lumax Industries Limited	-	-	22.14	34.69	-	-	22.14	34.69
Mr D.K. Jain	31.61	33.44	-	-	-	-	31.61	33.44
<b>Total</b>	<b>31.61</b>	<b>33.44</b>	<b>22.14</b>	<b>34.69</b>	<b>-</b>	<b>-</b>	<b>53.75</b>	<b>68.13</b>
<b>Purchases of Raw Materials and Components</b>								
Bharat Enterprises	-	-	230.80	297.63	-	-	230.80	297.63
Lumax Industries Limited	-	-	2,060.82	1,105.38	-	-	2,060.82	1,105.38
Lumax Ancillary Limited	-	-	6,496.13	6,375.48	-	-	6,496.13	6,375.48
Mahavir Udyog	-	-	3.42	0.62	-	-	3.42	0.62
Francisco Albero S.A.U	-	-	152.25	-	-	-	152.25	-
M&T Allied Technologies Co. Limited	-	-	205.84	265.90	-	-	205.84	265.90
PT MTAT Indonesia	-	-	65.68	33.90	-	-	65.68	33.90
Mannoh Industrial Co. Limited	-	-	11.02	0.51	-	-	11.02	0.51
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	306.03	90.67	-	-	306.03	90.67
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,531.98</b>	<b>8,170.09</b>	<b>-</b>	<b>-</b>	<b>9,531.98</b>	<b>8,170.09</b>
<b>Purchases of Finished Goods</b>								
Lumax Industries Limited	-	-	6,416.23	6,131.30	-	-	6,416.23	6,131.30
Lumax Ancillary Limited	-	-	1,374.94	1,572.61	-	-	1,374.94	1,572.61
<b>Total</b>	<b>-</b>	<b>-</b>	<b>7,791.17</b>	<b>7,703.91</b>	<b>-</b>	<b>-</b>	<b>7,791.17</b>	<b>7,703.91</b>
<b>Purchases of other</b>								
Lumax Industries Limited	-	-	4.69	3.12	-	-	4.69	3.12
Lumax Ancillary Limited	-	-	0.03	0.24	-	-	0.03	0.24
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4.72</b>	<b>3.36</b>	<b>-</b>	<b>-</b>	<b>4.72</b>	<b>3.36</b>
<b>Purchase of Capital Goods</b>								
Francisco Albero S.A.U	-	-	44.77	-	-	-	44.77	-
Lumax Industries Limited	-	-	532.60	-	-	-	532.60	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>577.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>577.37</b>	<b>-</b>

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Purchase of Packing Material</b>								
Lumax Industries Limited	-	-	0.01	0.67	-	-	0.01	0.67
Lumax Ancillary Limited	-	-	-	0.26	-	-	-	0.26
Mahavir Udyog	-	-	1.29	19.92	-	-	1.29	19.92
<b>Total</b>	-	-	<b>1.30</b>	<b>20.85</b>	-	-	<b>1.30</b>	<b>20.85</b>
<b>Other Reimbursement to/(from)</b>								
Bharat Enterprises	-	-	0.06	(0.28)	-	-	0.06	(0.28)
Lumax Industries Limited	-	-	239.17	321.22	-	-	239.17	321.22
Lumax Ancillary Limited	-	-	34.30	22.17	-	-	34.30	22.17
Mahavir Udyog	-	-	(2.97)	-	-	-	(2.97)	-
Lumax Finance Private Limited	-	-	0.17	(0.57)	-	-	0.17	(0.57)
Lumax Charitable Foundation	-	-	2.09	8.44	-	-	2.09	8.44
Lumax Tours & Travels Limited	-	-	(1.69)	4.44	-	-	(1.69)	4.44
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	-	50.24	-	-	-	50.24
Mannoh Industrial Co. Limited	-	-	22.62	41.71	-	-	22.62	41.71
Mahavir Udyog	-	-	0.21	-	-	-	0.21	-
Lumax Ituran Telematics Private Limited	-	-	-	-	0.58	-	0.58	-
<b>Total</b>	-	-	<b>293.96</b>	<b>447.37</b>	<b>0.58</b>	-	<b>294.54</b>	<b>447.37</b>
<b>CSR Expenditure</b>								
Lumax Charitable Foundation	-	-	173.88	182.57	-	-	173.88	182.57
<b>Total</b>	-	-	<b>173.88</b>	<b>182.57</b>	-	-	<b>173.88</b>	<b>182.57</b>
<b>Investments Made</b>								
Lumax Industries Limited	-	-	3,881.85	-	-	-	3,881.85	-
Lumax Ituran Telematics Private Limited	-	-	-	-	36.60	59.46	36.60	59.46
<b>Total</b>	-	-	<b>3,881.85</b>	-	<b>36.60</b>	<b>59.46</b>	<b>3,918.45</b>	<b>59.46</b>

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Royalty Paid</b>								
Lumax Industries Limited	-	-	113.28	-	-	-	113.28	-
Mannoh Industrial Co. Limited	-	-	131.92	138.12	-	-	131.92	138.12
<b>Total</b>	-	-	<b>245.20</b>	<b>138.12</b>	-	-	<b>245.20</b>	<b>138.12</b>
<b>Technical Fees</b>								
Mannoh Industrial Co. Limited	-	-	65.00	6.83	-	-	65.00	6.83
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	4.92	-	-	-	4.92	-
<b>Total</b>	-	-	<b>69.92</b>	<b>6.83</b>	-	-	<b>69.92</b>	<b>6.83</b>
<b>Managerial Remuneration</b>								
Mr Anmol Jain	79.93	169.18	-	-	-	-	79.93	169.18
Mr D.K. Jain	106.83	197.08	-	-	-	-	106.83	197.08
Mr Deepak Jain	7.74	15.48	-	-	-	-	7.74	15.48
Mrs Shivani Jain	148.32	88.75	-	-	-	-	148.32	88.75
Mrs Poysha Goyal Jain	148.32	90.94	-	-	-	-	148.32	90.94
Mr Sanjay Mehta	115.52	132.56	-	-	-	-	115.52	132.56
Mr Naval Khanna	69.74	80.15	-	-	-	-	69.74	80.15
Mr Tomoki Mori	89.72	96.37	-	-	-	-	89.72	96.37
Mr Ashish Dubey	55.77	59.08	-	-	-	-	55.77	59.08
Mr Anil Tyagi	15.48	16.91	-	-	-	-	15.48	16.91
<b>Total</b>	<b>837.37</b>	<b>946.50</b>	-	-	-	-	<b>837.37</b>	<b>946.50</b>
<b>Director Sitting Fees</b>								
Mr Arun Kumar Malhotra	2.78	3.60	-	-	-	-	2.78	3.60
Mr Avinash Parkash Gandhi	2.74	4.20	-	-	-	-	2.74	4.20
Mr Kanchan Kumar Gandhi	1.20	2.80	-	-	-	-	1.20	2.80
Mr Roop Salotra	3.69	5.00	-	-	-	-	3.69	5.00
Mr Milap Jain	2.59	4.80	-	-	-	-	2.59	4.80

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Mrs Diviya Chanana	1.48	2.80	-	-	-	-	1.48	2.80
<b>Total</b>	<b>14.47</b>	<b>23.20</b>	-	-	-	-	<b>14.47</b>	<b>23.20</b>
<b>Commission Paid</b>								
Mr Anmol Jain	129.46	110.02	-	-	-	-	129.46	110.02
Mr D.K. Jain	106.83	72.15	-	-	-	-	106.83	72.15
Mr Deepak Jain	56.77	59.73	-	-	-	-	56.77	59.73
Mrs Shivani Jain	-	73.82	-	-	-	-	-	73.82
Mrs Poysha Goyal Jain	-	71.64	-	-	-	-	-	71.64
<b>Total</b>	<b>293.06</b>	<b>387.36</b>	-	-	-	-	<b>293.06</b>	<b>387.36</b>
<b>Dividend Paid</b>								
Mr Anmol Jain	92.03	497.47	-	-	-	-	92.03	497.47
Mr Deepak Jain	92.06	497.62	-	-	-	-	92.06	497.62
D.K. Jain Family Trust	-	-	1.89	10.20	-	-	1.89	10.20
D.K. Jain & Sons (HUF)	-	-	54.92	296.54	-	-	54.92	296.54
Lumax Finance Private Limited	-	-	112.03	605.57	-	-	112.03	605.57
Mannoh Industrial Co. Limited	-	-	78.31	391.56	-	-	78.31	391.56
<b>Total</b>	<b>184.09</b>	<b>995.09</b>	<b>247.15</b>	<b>1,303.87</b>	-	-	<b>431.24</b>	<b>2,298.96</b>
<b>Dividend Received</b>								
Lumax Industries Limited	-	-	31.50	275.63	-	-	31.50	275.63
<b>Total</b>	-	-	<b>31.50</b>	<b>275.63</b>	-	-	<b>31.50</b>	<b>275.63</b>

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>BALANCE AT THE YEAR END</b>								
<b>Receivables</b>								
Mr Sanjay Mehta	3.50	9.50	-	-	-	-	3.50	9.50
Bharat Enterprises	-	-	-	0.46	-	-	-	0.46
Mahavir Udyog	-	-	-	3.00	-	-	-	3.00
Lumax Industries Limited	-	-	2,783.39	4,709.27	-	-	2,783.39	4,709.27
Lumax Ancillary Limited	-	-	0.87	246.34	-	-	0.87	246.34
Lumax Tours & Travels Limited	-	-	-	2.03	-	-	-	2.03
Mannoh Industrial Co. Limited	-	-	37.24	0.64	-	-	37.24	0.64
M&T Allied Technologies Co. Limited	-	-	1.62	-	-	-	1.62	-
PT MTAT Indonesia	-	-	-	6.36	-	-	-	6.36
Cor-Filters (Italy)	-	-	70.21	62.71	-	-	70.21	62.71
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	4.90	4.90	-	-	4.90	4.90
Francisco Albergo S.A.U	-	-	0.22	-	-	-	0.22	-
<b>Total</b>	<b>3.50</b>	<b>9.50</b>	<b>2,898.44</b>	<b>5,035.71</b>	<b>-</b>	<b>-</b>	<b>2,901.94</b>	<b>5,045.21</b>
<b>Other Financial Assets</b>								
Lumax Ituran Telematics Private Limited	-	-	-	-	0.09	-	0.09	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.09</b>	<b>-</b>	<b>0.09</b>	<b>-</b>
<b>Investment</b>								
Lumax Industries Limited	-	-	8,436.49	4,554.64	-	-	8,436.49	4,554.64
Lumax Ancillary Limited	-	-	459.52	459.52	-	-	459.52	459.52
Sipal Engineering Private Limited	-	-	-	-	71.91	71.91	71.91	71.91
Lumax Ituran Telematics Private Limited	-	-	-	-	129.60	93.00	129.60	93.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>8,896.01</b>	<b>5,014.16</b>	<b>201.51</b>	<b>164.91</b>	<b>9,097.52</b>	<b>5,179.07</b>
<b>Payables</b>								
Bharat Enterprises	-	-	42.70	47.17	-	-	42.70	47.17

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020		
	Lumax Ancillary Limited	-	-	1,039.75	1,453.05	-		-
Lumax Industries Limited	-	-	0.24	395.14	-	-	0.24	395.14
Lumax Tours & Travels Limited	-	-	3.11	13.06	-	-	3.11	13.06
Mahavir Udyog	-	-	0.76	-	-	-	0.76	-
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	205.91	201.21	-	-	205.91	201.21
Mannoh Industrial Co. Limited	-	-	118.20	128.31	-	-	118.20	128.31
M&T Allied Technologies Co. Limited	-	-	96.18	15.65	-	-	96.18	15.65
PT MTAT Indonesia	-	-	19.61	0.55	-	-	19.61	0.55
Francisco Albero S.A.U	-	-	85.57	-	-	-	85.57	-
<b>Total</b>	-	-	<b>1,612.05</b>	<b>2,254.14</b>	-	-	<b>1,612.05</b>	<b>2,254.14</b>
<b>Other Financial Liabilities</b>								
Mr Anmol Jain	129.46	117.62	-	-	-	-	129.46	117.62
Mr D.K. Jain	106.83	72.15	-	-	-	-	106.83	72.15
Mr Deepak Jain	56.77	50.73	-	-	-	-	56.77	50.73
Mr Naval Khanna	4.12	3.08	-	-	-	-	4.12	3.08
Mr Sanjay Mehta	6.03	5.97	-	-	-	-	6.03	5.97
<b>Total</b>	<b>303.20</b>	<b>249.55</b>	-	-	-	-	<b>303.20</b>	<b>249.55</b>

## Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

### 42. FINAL DIVIDEND

The Board of Directors of Holding Company has passed the resolution on June 12, 2021 for declaration of dividend @ 150% i.e. ₹ 3 per equity share of face value of ₹ 2 each [March 31, 2020 @ 150% i.e. ₹ 3 per equity share of face value of ₹ 2 each (included @ 100% interim Dividend i.e. ₹ 2 each paid)].

### 43. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

#### Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 39.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 44. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, all equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximize the shareholders' value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Group reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

	As at March 31, 2021	As at March 31, 2020
Borrowings including current maturities of long term borrowing (refer note 21)	2,553.00	2,340.57
Payable for purchase of fixed assets (refer note 25)	703.29	797.62
<b>Net debts</b>	<b>3,256.29</b>	<b>3,138.19</b>
<b>Capital components</b>		
Equity Share capital	1,363.15	1,363.15
Other equity	51,708.74	43,252.61
<b>Total equity</b>	<b>53,071.89</b>	<b>44,615.76</b>
Capital and net debt	56,328.18	47,753.95
<b>Gearing ratio (%)</b>	<b>5.78%</b>	<b>6.57%</b>

#### 45. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

##### a) Fair value of financial assets:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Financial assets measured at fair value</b>				
Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*	8,436.49	4,554.64	8,436.49	4,554.64
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	503.65	459.52	503.65	459.52
Investments in Quoted short term investments valued at fair value	4,034.91	1,130.70	4,034.91	1,130.70
<b>Total</b>	<b>12,975.05</b>	<b>6,144.86</b>	<b>12,975.05</b>	<b>6,144.86</b>
<b>Financial Instruments where carrying amounts that are reasonable approximations of fair values:</b>				
Trade receivables	22,298.19	19,277.49	22,298.19	19,277.49
Cash and cash equivalents	1,665.77	3,695.76	1,665.77	3,695.76
Other Bank balances	8,130.47	6,666.05	8,130.47	6,666.05
Deposits with remaining maturity for more than 12 months from the reporting date	-	150.00	-	150.00



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Loan to employees	69.16	91.34	69.16	91.34
Security deposit	614.29	571.10	614.29	571.10
Interest accrued but not due	60.06	158.92	60.06	158.92
Other recoverables	55.81	36.38	55.81	36.38
Unbilled Revenue	1,151.78	-	1,151.78	-
<b>Total</b>	<b>34,045.53</b>	<b>30,647.04</b>	<b>34,045.53</b>	<b>30,647.04</b>

#### b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Financial liabilities measured at amortized cost</b>				
Borrowings non current	552.42	1,676.23	552.42	1,676.23
Borrowings current	4,684.45	7,152.41	4,684.45	7,152.41
Current maturity of long term loan	1,968.87	612.50	1,968.87	612.50
Current maturity of vehicle loan	31.71	51.84	31.71	51.84
Trade payables	20,478.59	15,739.35	20,478.59	15,739.35
Accrued Salaries	1,667.79	1,292.36	1,667.79	1,292.36
Unsecured deposits from customers	848.22	1,122.90	848.22	1,122.90
Unpaid dividends	21.16	22.54	21.16	22.54
Interest accrued not due	15.66	16.40	15.66	16.40
Amount payable for property, plant and equipment	703.29	797.62	703.29	797.62
<b>Total</b>	<b>30,972.16</b>	<b>28,484.15</b>	<b>30,972.16</b>	<b>28,484.15</b>

\* The fair values of the FVTOCI financial assets are derived from quoted market prices in active markets.

Management has assessed that remaining financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

#### Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Group and in case of financial asset is the average market rate of similar credit rated instrument. The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 46. FAIR VALUE HIERARCHY

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

#### a) Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value</b>				
<b>Quoted equity shares</b>				
Investments in equity instruments of other entities (at fair value through other comprehensive income)	8,436.49	8,436.49	-	-
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	503.65	-	503.65	-
Investments in Quoted short term investments valued at fair value	4,034.91	4,034.91	-	-
<b>Others</b>				
Trade receivables	22,298.19	-	-	22,298.19
Cash and cash equivalents	1,665.77	-	-	1,665.77
Other Bank balances	8,130.47	-	-	8,130.47
Loan to employees	69.16	-	-	69.16
Security deposit	614.29	-	-	614.29
Interest accrued but not due	60.06	-	-	60.06
Other recoverables	55.81	-	-	55.81
Investment properties	1,758.51	-	1,758.51	-
Unbilled Revenue	1,151.78	-	-	1,151.78
<b>Total</b>	<b>48,779.09</b>	<b>12,471.40</b>	<b>2,262.16</b>	<b>34,045.53</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### b) Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2021:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at fair value</b>				
Borrowings non current	552.42	-	-	552.42
Borrowings current	4,684.45	-	-	4,684.45
Current maturity of long term loan	1,968.87	-	-	1,968.87
Current maturity of vehicle loan	31.71	-	-	31.71
Trade payables	20,478.59	-	-	20,478.59
Accrued Salaries	1,667.79	-	-	1,667.79
Unsecured deposits from customers	848.22	-	-	848.22
Unpaid dividends	21.16	-	-	21.16
Other Liabilities	15.66	-	-	15.66
Amount payable for property, plant and equipment	703.29	-	-	703.29
Lease liabilities (right to use)	2,602.62	-	-	2,602.62
<b>Total</b>	<b>33,574.78</b>	-	-	<b>33,574.78</b>

#### c) Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets measured at fair value</b>				
<b>Quoted equity shares</b>				
Investments in equity instruments of other entities (at fair value through other comprehensive income)	4,554.64	4,554.64	-	-
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	459.52	-	459.52	-
Investments in Quoted short term investments valued at fair value	1,130.70	1,130.70	-	-
<b>Others</b>				
Deposits with remaining maturity for more than 12 months from the reporting date	150.00	-	-	150.00
Trade receivables	19,277.49	-	-	19,277.49
Cash and cash equivalents	3,695.76	-	-	3,695.76
Other bank balance	6,666.05	-	-	6,666.05
Loan to employees	91.34	-	-	91.34
Security deposit	571.10	-	-	571.10
Interest accrued but not due	158.92	-	-	158.92
Other recoverables	36.38	-	-	36.38
Investment properties	1,815.92	-	1,815.92	-
<b>Total</b>	<b>38,607.82</b>	<b>5,685.34</b>	<b>2,275.44</b>	<b>30,647.04</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### d) Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2020:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Liabilities measured at fair value</b>				
Borrowings non current	1,676.23	-	-	1,676.23
Borrowings current	7,152.41	-	-	7,152.41
Current maturity of long term loan	612.50	-	-	612.50
Current maturity of vehicle loan	51.84	-	-	51.84
Trade payables	15,739.35	-	-	15,739.35
Accrued Salaries	1,292.36	-	-	1,292.36
Unsecured deposits from customers	1,122.90	-	-	1,122.90
Unpaid dividends	22.54	-	-	22.54
Other Liabilities	16.40	-	-	16.40
Amount payable for property, plant and equipment	797.62	-	-	797.62
Lease liabilities (right to use)	2,869.25	-	-	2,869.25
<b>Total</b>	<b>31,353.38</b>	-	-	<b>31,353.38</b>

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 47A ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT 2013, "GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS" FOR FINANCIAL YEAR ENDING MARCH 31, 2021:

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Statement Profit or (loss) (net of tax)		Share in other comprehensive income/(loss) (net of tax)		Share in total comprehensive income for the year, net of tax (comprising net profit for the year and other comprehensive income)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated total Comprehensive Income	Amount
<b>1</b>	<b>Holding Company *</b>								
	Lumax Auto Technologies Limited	91.97%	48,811.20	82.28%	4,208.73	100.03%	3,854.32	89.90%	8,063.05
<b>2</b>	<b>Subsidiaries *</b>								
	1. Lumax Mannoh Allied Technologies Limited	9.28%	4,924.38	20.74%	1,060.68	-0.25%	(9.56)	11.72%	1,051.12
	2. Lumax Integrated Ventures Private Limited	0.15%	78.32	-0.06%	(3.02)	0.00%	-	-0.03%	(3.02)
	3. Lumax Management Services Private Limited	10.91%	5,791.82	2.66%	136.07	0.27%	10.35	1.63%	146.42
	4. Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	1.66%	882.90	-8.82%	(451.40)	-0.01%	(0.37)	-5.04%	(451.77)
	5. Lumax FAE Technologies Private Limited	0.15%	81.81	-5.78%	(295.43)	0.00%	-	-3.29%	(295.43)
	6. Lumax JOPP Allied Technologies Private Limited	0.49%	259.09	-2.27%	(116.22)	-0.05%	(1.98)	-1.32%	(118.19)
	Adjustments related to above companies	0.00%	-	0.00%	-	0.02%	0.89	0.00%	-
	7. Lumax Cornaglia Auto Technologies Private Limited	6.22%	3,299.68	12.84%	656.72	0.01%	0.35	7.33%	657.07
	8. Lumax Yokowo Technologies Private Limited	0.03%	14.62	-0.12%	(6.38)	0.00%	-	-0.07%	(6.38)
<b>3</b>	<b>Joint Ventures (Investment as per the equity method)</b>								
	Sipal Engineering Private Limited	0.14%	76.26	0.48%	24.49	0.00%	-	0.27%	24.49
	Lumax Ituran Telematics Private Limited	0.05%	26.19	-0.66%	(33.82)	0.00%	-	-0.38%	(33.82)
	Less : Inter Company Eliminations	-21.06%	(11,174.38)	-1.27%	(65.01)	-0.02%	(0.89)	-0.72%	(65.01)
	<b>Lumax Auto Technologies Limited (Consolidated)</b>	<b>100.00%</b>	<b>53,071.89</b>	<b>100.00%</b>	<b>5,115.41</b>	<b>100.00%</b>	<b>3,853.11</b>	<b>100.00%</b>	<b>8,968.52</b>

\* The above figures shown are before Inter Company eliminations/adjustments.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 47B ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT 2013, "GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS" FOR FINANCIAL YEAR ENDING MARCH 31, 2020:

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Statement Profit or (loss) (net of tax)		Share in other comprehensive income/(loss) (net of tax)		Share in total comprehensive income for the year, net of tax (comprising net profit for the year and other comprehensive income)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated total Comprehensive Income	Amount
<b>1</b>	<b>Holding Company *</b>								
	Lumax Auto Technologies Limited	92.86%	41,429.73	100.45%	5,952.67	100.37%	(5,105.30)	100.97%	847.37
<b>2</b>	<b>Subsidiaries *</b>								
	1. Lumax Mannoh Allied Technologies Limited	9.07%	4,047.29	19.12%	1,133.10	-0.19%	9.60	136.17%	1,142.70
	2. Lumax Integrated Ventures Private Limited	0.18%	80.35	-0.31%	(18.52)	0.00%	-	-2.21%	(18.52)
	3. Lumax Management Services Private Limited	12.65%	5,642.23	0.44%	26.18	-0.08%	4.08	3.61%	30.26
	4. Lumax Cornaglia Auto Technologies Private Limited	5.92%	2,642.61	0.67%	39.74	-0.10%	5.30	5.37%	45.04
	5. Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	1.42%	634.67	-12.40%	(734.85)	0.00%	(0.09)	-87.58%	(734.94)
	6. Lumax FAE Technologies Private Limited	0.85%	377.24	-0.12%	(7.40)	0.00%	-	-0.88%	(7.40)
	7. Lumax JOPP Allied Technologies Private Limited	0.17%	77.28	-1.24%	(73.60)	0.00%	(0.11)	-8.78%	(73.72)
	8 Lumax Yokowo Technologies Private Limited	0.00%	1.00	0.00%	-	0.00%	-	0.00%	-
<b>3</b>	<b>Joint Ventures (Investment as per the equity method)</b>								
	Sipal Engineering Private Limited	0.12%	51.77	0.18%	10.51	0.00%	-	1.25%	10.51
	Lumax Ituran Telematics Private Limited	0.05%	23.40	-0.69%	(40.61)	0.00%	-	-4.84%	(40.61)
	Less : Inter Company Eliminations	-23.29%	(10,391.82)	-6.10%	(361.48)	0.00%	-	-43.07%	(361.48)
	<b>Lumax Auto Technologies Limited (Consolidated)</b>	<b>100.00%</b>	<b>44,615.76</b>	<b>100.00%</b>	<b>5,925.73</b>	<b>100.00%</b>	<b>(5,086.53)</b>	<b>100%</b>	<b>839.20</b>

\* The above figures shown are before Inter Company eliminations/adjustments.

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### 48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise of trade and other payables, borrowings, security deposits and payables for property, plant and equipment. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash, fixed deposits and security deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Group. The Finance department provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

##### A. 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 instrument effected by market risk include loans and borrowings, deposits, FVTOCI instrument.

The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2021.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020 including the effect of hedge accounting.

##### i) 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. The Group's interest bearing financial liabilities includes borrowings with fixed interest rates.

The Group's fixed rate borrowings are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

##### ii) 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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group transacts business in local currency as well as in foreign currency. The Group has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

##### Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Exposure gain/(loss)	As at March 31, 2021		As at March 31, 2020	
	Change	Change	Change	Change
	+1%	-1%	+1%	-1%
Trade Payable	(7.60)	7.60	(2.95)	2.95
Trade Receivable	2.93	(2.93)	1.31	(1.31)

## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

#### iii) Equity Price Risk

The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was ₹ 8,436.49 lakhs. A decrease of 10% on the NSE market index could have an impact of approximately ₹ 843.65 lakhs on the OCI or equity attributable to the Group. An increase of 10% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

#### B. Credit risk

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 Group 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.

##### Trade receivables

Customer credit risk is managed by Group subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable). The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Further, the Group's customer base majorly includes Original Equipment Manufacturers (OEMs), Large Corporates and Tier-1 vendors of OEMs. Based on the past trend of recoverability of outstanding trade receivables, the Group has not incurred material losses on account of bad debts. Hence, no adjustment has been made on account of Expected Credit Loss (ECL) model.

#### C. Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

**The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.**

<b>As at March 31, 2021</b>	<b>On Demand</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Borrowings	4,684.45	2,000.58	552.42	-	<b>7,237.45</b>
Trade and other payables	-	20,478.59	-	-	<b>20,478.59</b>
Other financial liabilities	-	3,256.12	-	-	<b>3,256.12</b>
<b>Total</b>	<b>4,684.45</b>	<b>25,735.29</b>	<b>552.42</b>	-	<b>30,972.16</b>

<b>As at March 31, 2020</b>	<b>On demand</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Borrowings	7,152.41	664.34	1,676.23	-	<b>9,492.98</b>
Trade and other payables	-	15,739.35	-	-	<b>15,739.35</b>
Other financial liabilities	-	3,251.81	-	-	<b>3,251.81</b>
<b>Total</b>	<b>7,152.41</b>	<b>19,655.50</b>	<b>1,676.23</b>	-	<b>28,484.14</b>



## Notes to Consolidated financial statements

### For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

- 49.** The management has analysed that no significant warranty claim is received by the Group in earlier years against the goods manufactured by the Group and further, the seller of traded goods warrants the Group that products will be free from defects in materials and workmanship under normal use and service and agrees to replace any defective parts under the conditions of standard warranty accompanying the products. Therefore, the Group has not made any provision for warranties and claims in its books of accounts for the year ended March 31, 2021.
- 50.** Revenue is measured by the Group at the transaction price i.e. amount of consideration received/ receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of products, the Group considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors. Accordingly, revenue for the current year is net of price differences.
- 51.** During the year, the Holding Company has acquired a balance stake from the JV partner, Gill Austem LLC in respect of Lumax Gill Austem Auto Technologies Private Limited (Now Lumax Mettallics Private Limited), hence it has been considered as wholly owned subsidiary of the Holding Company.
- 52.** The Group's business research and development concentrates on the development of Automotive equipment. Research and development costs that are not eligible for capitalization have been expensed in the period incurred during the year ended March 31, 2021 this was an amount of ₹ 324.82 Lakhs (March 31, 2020: ₹ 370.56 Lakhs), and they are recognized in other expenses.
- 53.** The Group business activity falls within a single business segment i.e. manufacturing and trading of Automotive Components and therefore, segment reporting in terms of Ind-AS 108 on Segmental Reporting is not applicable.
- 54.** World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Group temporarily suspended the operations in all the units of the Group in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. during the lock-down period which has been extended till May 17, 2020, However, production and supply of goods has commenced during the year ended March 31, 2021 on various dates at all the manufacturing locations of the Group. Accordingly, sales and profits for the quarter and year ended March 31, 2020 has been impacted and therefore, the results of this year ended are not comparable to previous corresponding year results. Second wave of COVID-19 has also impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities, etc.
- The Group has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these consolidated financial statements. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

**S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Ashish Dubey**

Chief Financial Officer

**Anmol Jain**

Managing Director

DIN: 00004993

**Anil Tyagi**

Company Secretary

Membership No. A16825

**Vikas Marwah**

Chief Executive Officer

DIN: 08705643

Place : New Delhi

Date : June 12, 2021

## AOC-1 Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(₹ in Lakhs)

### Part "A" : Subsidiaries

	Name of the Subsidiaries									
	Lumax Mannoh Allied Technologies Limited	Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Yokowo Technologies Private Limited *	Velomax Mobility Private Limited ^	Lumax Energy Solutions Private Limited ^
	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
A. Financial year ending on										
B. Equity Share capital	348.05	994.74	85.40	683.76	112.50	392.79	451.00	21.00	1.50	5.00
C. Other Equity	4,576.33	(111.84)	(9.53)	2,615.92	5,679.32	(310.98)	(191.91)	(6.38)	(2.08)	(3.33)
D. Total assets	9,857.20	2,108.60	77.13	7,465.19	7,326.88	3,162.36	378.98	16.69	0.03	2.26
E. Total Liabilities	4,932.82	1,225.70	1.26	4,165.52	1,535.05	3,080.55	119.89	2.07	0.61	0.59
F. Investments	-	-	-	-	-	-	-	-	-	-
G. Revenue from Contracts with Customers	12,299.39	1,309.89	-	7,262.43	2,313.89	141.99	135.80	-	-	-
H. Profit before taxation	1,429.72	(386.37)	(4.19)	827.99	158.39	(246.31)	(116.28)	(6.38)	(0.54)	(0.89)
I. Provision for taxation	369.04	65.03	-	171.27	22.32	49.12	(0.06)	-	-	-
J. Profit after taxation	1,060.68	(451.40)	(4.19)	656.72	136.07	(295.43)	(116.22)	(6.38)	(0.54)	(0.89)
K. Proposed Dividend	522.08	-	-	-	-	-	-	-	-	-
L. % of shareholding	55%	100%	100%	50%	100%	51%	50%	100%	100%	100%

**AOC-1 Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) (Contd.)**

(₹ in Lakhs)

**Part "B" : Associates and Joint Ventures**

	Lumax Ituran Telematics Private Limited	Sipal Engineering Private Limited <sup>^^</sup>
<b>A. Latest audited Balance Sheet Date</b>	<b>March 31, 2021</b>	<b>March 31, 2021</b>
<b>B. Shares of Associate/Joint Ventures held</b>		
- Number of Shares (nos)	12,96,001	719,100
- Amount of Investment in Associates and Joint Venture	26.19	76.26
<b>C. Description of how there is significant influence</b>	<b>Associate</b>	<b>Associate</b>
<b>D. Reason why the Associate and Joint Venture is not consolidated</b>	<b>Consolidated</b>	<b>Consolidated</b>
<b>E. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	<b>52.28</b>	<b>168.25</b>
<b>F. Profit / (Loss) for the year</b>	<b>(67.64)</b>	<b>54.03</b>
- Considered in Consolidation	(33.82)	24.49
- Not Considered in Consolidation	(33.82)	29.54

**Notes :**

- \* Lumax Yokowo Technologies Private Limited yet to commence operations
- ^ Step down Subsidiary Companies
- ^^ Step down Associate

For and on behalf of the Board of Directors of  
**Lumax Auto Technologies Limited**

**D.K. Jain**  
Chairman  
DIN: 00085848

**Ashish Dubey**  
Chief Financial Officer

Place : New Delhi  
Date : June 12, 2021

**Anmol Jain**  
Managing Director  
DIN: 00004993

**Anil Tyagi**  
Company Secretary  
Membership No. A16825

**Vikas Marwah**  
Chief Executive Officer  
DIN: 08705643

## Notice

Notice is hereby given that the 40<sup>th</sup> Annual General Meeting (AGM) of the Members of Lumax Auto Technologies Limited ("Company") will be held as under:

Day : **Tuesday**  
Date : **August 31, 2021**  
Time : **03:00 p.m. (IST)**

via two-ways i.e. Video Conferencing ("VC") or Other Audio-Visual means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt
  - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021, the Reports of the Board of Directors and Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 and the Report of Auditors thereon.
2. To declare a dividend of ₹ 3 per equity share as recommended by the Board of Directors for the Financial Year ended March 31, 2021.
3. To appoint a Director in place of Mr. Sanjay Mehta (DIN: 06434661), who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"Resolved that** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the

Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), or re-enactment thereof, for the time being in force), the consent of members of the Company be and is hereby accorded to the ratification of the remuneration of ₹ 1.50 Lakhs (Rupees One Lakh Fifty Thousand Only) excluding taxes and reimbursement of out-of-pocket expenses at actuals payable to M/s Jitender Navneet & Co., Cost Accountants (Firm Registration No. 000119), appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the FY 2021-22.

**Resolved further that** the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution".

**By Order of the Board**

For **Lumax Auto Technologies Limited**

**Anil Tyagi**

**Company Secretary**

(Membership No. A16825)

**Place:** New Delhi

**Dated:** June 12, 2021

**Registered Office:** 2<sup>nd</sup> Floor,

Harbans Bhawan-II, Commercial Complex,

Nangal Raya, New Delhi-110046.

Website: [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech)

Email: [shares@lumaxmail.com](mailto:shares@lumaxmail.com)

CIN: L31909DL1981PLC349793

## Notice (Contd.)

### NOTES FOR AGM NOTICE :

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated May 5, 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Company has appointed National Securities Depository Limited (NSDL), to provide Video Conferencing facility/ Other Audio Visual Means (VC/OAVM) for conducting the AGM.
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE**

### **FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
5. Institutional Investors, who are Members of the Company, are encouraged to attend the AGM through VC/ OAVM mode and vote electronically. Corporate Members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to M/s Bigshare Services Private Limited, Registrar and Share Transfer Agent of the Company, by e-mail at [vinod.y@bigshareonline.com](mailto:vinod.y@bigshareonline.com) with a copy marked to the Company at [shares@lumaxmail.com](mailto:shares@lumaxmail.com).
6. The attendance of the Members (members logins) attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").
7. An Explanatory Statement pursuant to Section 102 (1) of the Act, in respect of Special business to be transacted at the AGM is furnished hereunder. The relevant details of the Directors seeking appointment/re- appointment at the AGM as required by Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Listing Regulations) and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed as **Annexure - I**.
8. Remote e-Voting: Pursuant to the provisions of Section 108 of the Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by NSDL.

## Notice (Contd.)

Only those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

9. In line with the MCA Circulars and SEBI Circulars the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/RTA/Depositories. Further, the Notice of the AGM has been uploaded on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech).

The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

10. The Notice of AGM and Annual Report will be sent to those Members/beneficial owners whose name will appear in the Register of Members/list of beneficiaries received from the Depositories/RTA as on **Friday, July 30, 2021**.
11. Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, August 24, 2021 to Tuesday, August 31, 2021 (both days inclusive)** for annual closing and determining the entitlement of shareholders to the Final Dividend for the FY 2020-21, as may be approved by the members at the AGM.
12. Dividend Entitlement: Dividend on Equity Shares, as recommended by the Board of Directors, if approved at the AGM, will be payable to those Members whose names appear in the Register of Members of the Company, in the case of beneficial owners as at the close of **Monday, August 23, 2021 (the cut-off Date)** as per the beneficial ownership data to be furnished by NSDL/CDSL/RTA for the purpose and in respect of shares held in physical form after giving effect to all valid shares transfers/transmission(s), which are lodged with the Company / RTA before the cut-off date.

The Board of Directors had recommended a dividend of ₹ 3 per equity share of the face value of ₹ 2 each (@150%), payable to those Shareholders whose names appear in the Register of Members as on the Cut-off Date (subject to the approval of the same by the Shareholders in the AGM).

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates as per Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through e-mail by **Monday, August 16, 2021**.

The note for '**Communication on Tax Deduction on Dividend**' is annexed with this notice.

Dividend amount for Members holding shares in Electronic Form and to those Members holding in Physical Form, who have given their Bank details, will be credited to their respective Bank Account through Electronic Clearing Service (ECS), wherever such facilities are available, soon after the declaration of the Dividend in the AGM, subject to deduction of income-tax at source ('TDS'). For others, Dividend Demand Drafts (DD's) will be posted at the earliest depending upon the resumption of the Postal Services. In order to avoid any fraudulent encashment, such Members are requested to furnish their Bank Account Number and Bank's name so as to incorporate the same in the Dividend DD, immediately, if not submitted earlier. If there is any change in the Bank Account of Demat Members, they are requested to intimate the same to their respective Depository Participants for their further action.

Further, in order to receive dividend(s) in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate, by sending the below mentioned documents to the RTA of Company viz. Kind Attn: Mr. Vinod , M/s Bigshare Services Private Limited Bharat Tin Works Building, 1<sup>st</sup> Floor, Opp. Vasant Oasis, Makwana Road, Andheri – East, Mumbai – 400059.

- a. a signed request letter mentioning name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
- i) Name and Branch of Bank and Bank Account type;

## Notice (Contd.)

- ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
- iii) 11 digit IFSC Code;
- b. self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
- c. self-attested scanned copy of the PAN Card; and
- d. self-attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, at the earliest possible.

### 13. **Transfer of Unclaimed/Unpaid dividend amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act (Section 205A of the erstwhile Companies Act, 1956) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the amount of dividend which remains unclaimed or unpaid for a period of 7 (Seven) years from the date of transfer of the amount to Unpaid dividend account, shall be transferred to the Investor Education & Protection Fund set up by Government of India and no claim shall lie against the Company after the transfer of Unpaid or Unclaimed dividend amount to IEPF.

Accordingly, the amount lying in the Unpaid Dividend Account for the FY 2012-13 has been transferred to the IEPF on October 27, 2020. The unpaid dividend amount for the FY 2013-14 is due for transfer to the IEPF by August 27, 2021. Members who have not yet encashed their dividend for the FY 2013-14 and onwards are therefore, requested in their own interest to make their claims to the Company immediately for outstanding dividends.

The Members are also requested to note that all shares on which dividend remains unclaimed for seven consecutive years or more shall be transferred to the IEPF account in compliance with Section 124 of the Act and the applicable IEPF Rules. In view of this, Members

are requested to claim their dividends from the Company, within the stipulated timeline as mentioned above.

In case valid claim is not received by that date, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. Members are requested to contact with the Registrar and Share Transfer Agent of the Company, M/s Bigshare Services Private Limited (Big Share) for aforesaid purpose.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application in Form no. IEPF-5 to the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

14. Members are requested to support Green Initiative by choosing to receive the Company's communication through e-mail and are requested to update their email addresses with their depository participants / Big Share.
15. **Change of Address:** The Members holding shares in physical mode are requested to intimate to the Registrar and Share Transfer Agent i.e. M/s Bigshare Services Private Limited immediately, if there is any change in their registered address. Members holding shares in Demat Mode should inform the change of address to their respective Depository Participants.
16. The Securities and Exchange Board of India vide gazette notification dated June 8, 2018 and its press release on December 3, 2018 amended Regulation 40 of the Listing Regulations and has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f., April 1, 2019. Further SEBI vide its press release dated March 27, 2019 clarified that the transfer deeds lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 1, 2019. Further, with Circular SEBI/HO/MIRSD/RTAMB /CIR/P/2020/166 dated September 7, 2020 cut-off date for re-lodgment of transfer deeds has been fixed as March 31, 2021.  
In view of above, the Members holding shares in physical form are requested to consider the same and convert their holding into dematerialized form to eliminate all risk associated with the physical shares. Members can contact the Company or RTA for any further assistance in this regard.
17. As per the provisions of Section 89 read with Section 90 of the Act the combined effect of both the Sections is that every person who is holding a beneficial interest in the shares of the Company shall submit his/her declaration to the Company in the prescribed form and

## Notice (Contd.)

thereafter the Company shall intimate to the Registrar in the prescribed form along with such declaration.

Every member(s) of the Company is requested to provide the declaration(s) regarding their beneficial interest, if any in the shares of the Company under the aforesaid provisions of the Act. The shareholders are further advised to refer Companies (Significant Beneficial Owners) Amendment Rules, 2019 before making declaration in respect of Beneficial Owner and Significant Beneficial Owner.

18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Big Share. Members are requested to refer to the important instructions given in **Annexure – II** of this Notice.

Electronic copy of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech).

During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.

20. Members, who would like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address [shares@lumaxmail.com](mailto:shares@lumaxmail.com) at least 7 days in advance before the start of the AGM i.e. **by Tuesday, August 24, 2021 by 5:00 P.M. IST**. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the AGM, depending upon the

availability of time. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

21. **Voting through electronic means:** In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the Listing Regulations read with SEBI Circular dated 9/12/20, the Company is providing remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to Members holding shares as on **Monday, August 23, 2021, being the Cut-off date** for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of Members, entitled to participate in the remote e-voting process, through the e-voting platform provided by National Securities Depository Limited (NSDL) i.e. <https://www.evoting.nsdl.com/> or to vote at the AGM.
22. The **e-voting period** shall be from **Saturday, August 28, 2021 (09:00 A.M.) to Monday, August 30, 2021 (05:00 P.M.)** During this period Members holding shares either in physical or dematerialized form, as on cut-off date i.e. **Monday, August 23, 2021** may cast votes electronically. A person, whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, shall be entitled to avail the facility of remote e-voting.  
The remote e-voting module will be disabled by NSDL for voting thereafter. A shareholder shall not be allowed to vote again on any resolution on which vote has already been cast.
23. During the AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote(s) through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, who have cast their votes, the e-Voting will be closed with the formal announcement of closure of the AGM.
24. The recorded transcript of the AGM shall also be made available on the website of the Company [www.lumaxworld.in](http://www.lumaxworld.in).



## Notice (Contd.)

[lumaxworld.in/lumaxautotech](http://lumaxworld.in/lumaxautotech) in the Investor Section, as soon as possible after the Meeting is over.

25. The Board has appointed Mr. Maneesh Gupta, Practicing Company Secretary, New Delhi as the scrutinizer to scrutinise the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
26. The Scrutinizer shall, after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unlock the votes cast through remote e-voting, and shall submit a consolidated Scrutinizer's report, of the total votes cast in favour or against, invalid votes, if any, to the Chairman of the Company or any authorized person who shall countersign the same, within 48 hours of the conclusion of the meeting.  
The Scrutinizer shall submit his report to the Chairman/ Authorised Person who shall declare the result of the voting. The results declared along with the Scrutinizer's report shall be placed on the Company's website [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and National Securities Depository Limited (NSDL) i.e. <https://www.evoting.nsdl.com/> and shall also be communicated to the Stock Exchanges.
27. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting i.e. August 31, 2021.
28. Notice of this AGM, Audited Financial Statements for FY 2020-21 together with Directors' Report and Auditors' Report are also available on the website of the Company [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech). Person who is not a member as on the cut-off date should treat this Notice for information purposes only.
29. Instructions for attending the AGM through VC/OAVM and remote e-voting are given below:

### A. Instructions for Members attending the AGM through VC/OAVM are as under:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have

forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

### B. The instructions for remote e-voting and Joining Annual General Meeting are as under:

**The remote e-voting period shall be from Saturday, August 28, 2021 (09:00 A.M.) to Monday, August 30, 2021 (05:00 P.M.), The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, August 23, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, August 23, 2021.**

### How to vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system


#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository

## Notice (Contd.)

Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDeAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https:// eservices.nsd.com</a> . Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.
<p><b>NSDL Mobile App is available on</b></p>   	
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b> . Click on <b>NSDL</b> to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.

## Notice (Contd.)

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

### B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

#### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

## Notice (Contd.)

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password? (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: **Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [guptamaneeshcs@gmail.com](mailto:guptamaneeshcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. August 23, 2021 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## Notice (Contd.)

[nsdl.co.in](http://nsdl.co.in) or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 23, 2021 may follow steps mentioned in the Notice of the AGM under “Access to NSDL e-Voting system”.

- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [shares@lumaxmail.com](mailto:shares@lumaxmail.com).
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID +CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [shares@lumaxmail.com](mailto:shares@lumaxmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively shareholders/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat

mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE ANNUAL GENERAL MEETING ARE AS UNDER:**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
  - Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [AmitV@nsdl.co.in](mailto:AmitV@nsdl.co.in) or at telephone number :+91-22-24994360.
  - Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in), [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or at telephone number +91 22 - 2499 4545.

**By Order of the Board**  
For **Lumax Auto Technologies Limited**

**Anil Tyagi**  
**Company Secretary**  
(Membership No. A16825)

**Place:** New Delhi  
**Dated:** June 12, 2021

**Registered Office:**

2<sup>nd</sup> Floor, Harbans Bhawan-II,  
Commercial Complex, Nangal Raya,  
New Delhi-110046.  
Website: [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech)  
Email: [shares@lumaxmail.com](mailto:shares@lumaxmail.com)  
CIN: L31909DL1981PLC349793

## Notice (Contd.)

### EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS (PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013)

#### Item No. 4

The Board on the recommendation of the Audit Committee, in its Meeting held on June 12, 2021 have approved the appointment of M/s Jitender Navneet & Co., Cost Accountants (Firm Regn. No. 000119) as the Cost Auditor of the Company for audit of cost accounting records of the Company for the FY 2021-2022 and fixed their fee at ₹ 1.50 Lakhs (Rupees One Lakh Fifty Thousand) excluding taxes and reimbursement of out of pocket expenses at actuals, if any, in connection with the audit.

M/s. Jitender Navneet & Co., Cost Accountants (Firm Regn. No.000119) have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959.

In accordance with the provisions of Section 148 of the Act and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by the Members is sought to the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending March 31, 2022.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out at Item No. 4 of the Notice.

The Board recommends the resolution set forth in Item No. 4 for approval of the Members as an Ordinary Resolution.

**By Order of the Board**  
For **Lumax Auto Technologies Limited**

**Anil Tyagi**  
**Company Secretary**  
(Membership No. A16825)

**Place:** New Delhi

**Dated:** June 12, 2021

#### **Registered Office:**

2<sup>nd</sup> Floor, Harbans Bhawan-II,  
Commercial Complex, Nangal Raya,  
New Delhi-110046.

Website: [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech)

Email: [shares@lumaxmail.com](mailto:shares@lumaxmail.com)

CIN: L31909DL1981PLC349793

## Notice (Contd.)

### ANNEXURE I

**PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AND FIXATION OF REMUNERATION IS FURNISHED BELOW:**

<b>Names of Directors/ DIN</b>	<b>Date of Birth/ Details of Shareholding</b>	<b>Qualifications/Nature of Expertise</b>	<b>Relationship with Directors Inter-se</b>	<b>Name of Listed Companies in which Directorship held other than Lumax Auto Technologies Limited</b>	<b>Chairmanship/ Membership in Committees of Other Public Companies</b>	<b>No. of Shares held in the Company</b>
Mr. Sanjay Mehta DIN: 06434661	October 01, 1967	FCA, ACS. He has rich experience of 29 Years in Corporate-Finance, IT, Legal and Strategy Functions. He is the Group CFO of Lumax-DK Jain Group. He is associated with group since last 14 years and instrumental in sustainable growth of LATL.	Not related with any Director.	Nil	Nil	1,525

#### Notes:

- The Directorships and Chairmanships/Memberships of Section 8 Companies is not included in above table
- For other details such as the number of meetings of the Board attended during the year, remuneration drawn in respect of above Directors, please refer to the Corporate Governance Report which is a part of this Annual Report.

## Notice (Contd.)

ANNEXURE II

**IMPORTANT AND URGENT**  
**INFORMATION FOR THE SHAREHOLDERS**

**Mandatory Updation of PAN and Bank Account details (Only for Physical Shareholding)**

Securities Exchange Board of India (“SEBI”) vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, has mandated Listed Entities to seek the subject details from the Shareholders holding shares in physical form with an objective to streamline the processes relating to maintenance of records, transfer of securities and seamless payment of dividend/interest/redemption amounts to the Shareholders.

Therefore, we request your good self to provide the following details for our records, which shall be linked to your respective folios:

1. Enclosed Format duly filled and signed by all the Shareholders.
2. Self-attested copy of PAN Card of all the Shareholders.
3. Original Cancelled Cheque leaf with Name (if the name is not printed, self-attested copy of Passbook duly attested by the Bank first page).
4. Self-attested copy of Address Proof of the Shareholder.

If the Shareholder is a resident of Sikkim, the Shareholder is required to submit a valid Identity proof issued by Government.

**Mandatory Dematerialization of Shares**

Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 read with BSE Circular No. LIST/COMP/15/2018-19 dated July 5, 2018 issued to all Listed Companies has directed for Dematerialization of Shares held in physical form. In order to Dematerialize your share, please open a Demat Account with any of Depository Participants (DP) and submit your physical share certificate to DP along with necessary documents in this regard.

**Updation of Email ID**

To support “Green Initiative” and to further strengthen the communication and for providing the documents through electronic mode, the Shareholders are requested to get their Email Id’s registered with the Company.

**Registration of Mobile No. and Merging of Multiple Folios**

Shareholders are requested to register their Mobile No. for direct and speedy communication and those Shareholders who are having Multiple Folios are requested to get the same merged in One Folio which will help in ease of communication.



## Notice (Contd.)

### FORMAT FOR FURNISHING PAN AND BANK DETAILS

To

Bigshare Services Private Limited  
Bharat Tin Works Building,  
1<sup>st</sup> Floor, Opp. Vasant Oasis, Makwana Road,  
Andheri – East, Mumbai – 400059

Dear Sir/Ma'am,

#### **Unit: LUMAX AUTO TECHNOLOGIES LIMITED**

I/ We furnish below our folio details along with PAN and Bank mandate details for updation and confirmation of doing the needful. I/we are enclosing the self-attested copies of PAN Card of all the holders, original Cancelled Cheque leaf, Bank Passbook and Address Proof viz., Aadhaar Card as required for updation of the details:

<b>Folio No.</b>	
<b>Address of the 1<sup>st</sup> named Shareholder as per the share certificate</b>	
<b>Mobile No.</b>	
<b>Email ID</b>	

#### **Bank Account Details (for electronic credit of unpaid dividends and all future dividends):**

<b>Name of the Bank</b>									
<b>Name of the Branch</b>									
<b>Account Number (as appearing in your cheque book)</b>									
<b>Account Type (Saving/ Current/ Cash Credit)</b>	<b>Saving</b>			<b>Current</b>			<b>Cash Credit</b>		
<b>9 Digit MICR Number (as appearing on the cheque issued by the bank)</b>									
<b>11 Digit IFSC Code</b>									

	<b>PAN No.</b>	<b>Name</b>	<b>Signature</b>
<b>First Holder :</b>			
<b>Joint Holder 1 :</b>			
<b>Joint Holder 2 :</b>			

**Place:**

**Date:**

Note: The above details will not be updated if the supporting documents are not attached and not duly signed by all the shareholders.

## Notice (Contd.)

### COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that Dividend paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

**For resident shareholders,** taxes shall be deducted at source under Section 194 of the IT Act as follows:

- Members having valid Permanent Account Number ("PAN"): 10% or as notified by the Government of India if he is not specified person to be checked by Company based on Valid PAN provided by the member.
- Members not having PAN/valid PAN: 20% or as notified by the Government of India
- Further the Finance Act, 2021 inserted section 206AB in the Income-tax Act 1961 (hereinafter referred to as "the Act") which
- This section mandate tax deduction at higher rate in case of certain non-filers (specified persons) with respect to tax deductions twice the prescribed rate or 5%, whichever is higher. Specified person means a person who satisfies both the following conditions:-
  - (i) He has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately before the previous year in which tax is required to be deducted ie AY 2019-20 and AY 2020-21. Two previous years to be counted are required to be those, whose return filing date under sub-section (1) of section 139 has expired.
  - (ii) Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in each of these two previous years.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during FY 2021-2022 does not

exceed ₹ 5,000 and also in cases where members provide Form 15G/Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as mentioned above.

**For non-resident shareholders,** taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962
- Copy of Tax Residency Certificate (TRC) for FY 2021-2022 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F to be dated after the date of TRC
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

In case of Foreign Institutional Investors/Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.









**LUMAX AUTO TECHNOLOGIES LIMITED**

[www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech)

