

LATL:CS:2019-20

Date : 03.06.2019

BSE Limited  
1st Floor, Rotunda Building  
P.J. Towers, Dalal Street, Fort  
Mumbai - 400 001

The National Stock Exchange of India Limited  
Listing Department  
Exchange Plaza, C-1 Block G,  
Bandra Kurla Complex,  
Bandra (E), Mumbai-400051

**Company Code: 532796****Company Code: LUMAXTECH**

Sub.: **Notice of the Meetings of Equity Shareholders, Secured Creditors and Unsecured Creditors convened pursuant to the Order of Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi**

Sir/Ma'am,

In terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please be informed that pursuant to the directions of the Principal Bench of the Hon'ble National Company Law Tribunal (NCLT), New Delhi, vide order dated 14<sup>th</sup> May, 2019 and 21<sup>st</sup> May, 2019, Meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Company ("Transferee Company"), to be held on Friday, 5<sup>th</sup> July, 2019 at 12:00 Noon, 02:30 P.M. and 03:00 P.M. respectively, to consider, and if thought fit, to approve with or without modification(s), the Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors.

Further, the Company has also provided remote e-voting and postal ballot facility to its Shareholders. The remote e-voting shall commence on Wednesday, 5<sup>th</sup> June, 2019 at 09:00 A.M. (IST) and ends on Thursday, 4<sup>th</sup> July, 2019 at 05:00 P.M. (IST).

We are enclosing herewith the following Notices being dispatched and published by the Company:-

1. Copy of the Notice of the NCL T convened Meeting of the Equity Shareholders.
2. Copy of the Notice of the NCL T convened Meeting of the Secured Creditors.
3. Copy of the Notice of the NCL T convened Meeting of the Unsecured Creditors.



Lumax Auto Technologies Limited  
2nd Floor, Harbans Bhawan-II,  
Commercial Complex, Nangal Raya,  
New Delhi-110046  
India

T +91 11 49857832  
E shares@lumaxmail.com

www.lumaxworld.in

The above intimation shall also be made available on the website of the Company at [www.lumaxautotech.com](http://www.lumaxautotech.com).

This is for your information and record.

Thanking you,

Yours faithfully,

For **LUMAX AUTO TECHNOLOGIES LIMITED**



**ANIL TYAGI**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**  
**M.NO. A16825**



# LUMAX AUTO TECHNOLOGIES LIMITED

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

Tel No.: 011-49857832, CIN: L31909DL1981PLC349793

E-Mail: shares@lumaxmail.com, Website: www.lumaxautotech.com

## NOTICE OF THE MEETING OF THE EQUITY SHAREHOLDERS OF LUMAX AUTO TECHNOLOGIES LIMITED

(Convened pursuant to order dated May 14, 2019 and May 21, 2019 passed by the Hon'ble National Company Law Tribunal, Principal Bench)

### DETAILS OF NCLT CONVENED MEETING OF EQUITY SHAREHOLDERS

|              |   |
|--------------|---|
| <b>Day</b>   | Friday  |
| <b>Date</b>  | 5 <sup>th</sup> day of July, 2019                     |
| <b>Time</b>  | 12 Noon (IST)   |
| <b>Venue</b> | Air Force Auditorium, Subroto Park, New Delhi- 110010 |

### POSTAL BALLOT AND REMOTE E-VOTING PERIOD FOR NCLT CONVENED MEETING OF EQUITY SHAREHOLDERS

|                   |   |
|-------------------|---|
| <b>Start Date</b> | 5 <sup>th</sup> day of June, 2019, 09:00 AM (IST) |
| <b>Last Date</b>  | 4 <sup>th</sup> day of July, 2019, 05:00 PM (IST) |

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**FORM NO. CAA 2**

[Pursuant to Section 230 (3) and Rule 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

**Company Application No. CA (CAA) 76 (PB)/ 2019**

**And**

**Company Application No. CA (CAA) 19(PB)/ 2019**

**And**

**Company Application No. CA 959 (PB)/ 2019**

**NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF LUMAX AUTO TECHNOLOGIES LIMITED PURSUANT TO THE ORDER DATED MAY 14, 2019 AND MAY 21, 2019 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, PRINCIPAL BENCH AT NEW DELHI**

To

The Equity Shareholders of **Lumax Auto Technologies Limited** (the "**Company**" or the "**Transferee Company**")

**NOTICE** is hereby given that by an order dated May 14, 2019 and May 21, 2019 (the "**Order**") in the abovementioned Company Application No. C.A. (CAA)-76/(PB)/2019 and Company Application No. C.A. (CAA) – 19 (PB)/2019 and Company Application CA - 959 (PB)/ 2019, the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi has directed a meeting to be held of the Equity Shareholders of the Transferee Company ("**NCLT Convened Meeting**"), for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Lumax DK Auto Industries Limited ("**Transferor Company**") with Lumax Auto Technologies Limited ("**Transferee Company**") and their respective Shareholders and Creditors ("Scheme").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the Equity Shareholders of the Company will be held to transact the special business at 12 Noon, on Friday, 5<sup>th</sup> day of July, 2019 at Air Force Auditorium, Subroto Park, New Delhi- 110010 at which date, time and place the said Equity Shareholders are requested to attend, to consider and if thought fit, approve with or without modification(s), the resolution set out below in this Notice under Section 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Further, notice is also hereby given to the equity shareholders of Lumax Auto Technologies Limited pursuant to Section 108, Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with other applicable notifications and circulars issued by SEBI ("SEBI Circular"), and any other applicable regulations thereto, to consider, and if thought fit, approve the arrangement proposed and embodied in the Scheme and to pass the resolution set out below in this notice through postal ballot and remote e-voting.

**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 including all rules, circulars and notifications issued thereunder, as may be applicable, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the National Company Law Tribunal Rules, 2016, applicable provisions, if any, and any other provisions of any other applicable law / statute and in accordance with the relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi and approval of such other regulatory / statutory / government authority(ies), as may be necessary or as may be directed by the NCLT or such other competent authority(ies), as the case may be, approval of the equity shareholders of the Company be and is hereby accorded to the proposed Scheme of Merger of Lumax DK Auto Industries Limited ("**Transferor Company**") with Lumax Auto Technologies Limited ("**Transferee Company**") and their respective Shareholders and Creditors ("**Scheme**")."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter called the 'Board', which term shall be deemed to include any person(s) authorized and / or one or more committee(s) which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme of Amalgamation and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required or directed by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi while sanctioning the Scheme or by any authorities under law or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board of Directors may deem fit and proper."

In compliance with the provisions of (i) Section 230(4) read with Sections 108 and Section 110 of the Companies Act, 2013; (ii) Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 20, Rule 22, Rule 25 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, issued by the Securities and Exchange Board of India (referred to as "SEBI Circular"), the Transferee Company has provided the facility to cast votes either by way of Postal Ballot or by Remote e-voting facility offered by Karvy Fintech Private Limited. The Company will also provide facility to vote through ballot paper at the venue of the Meeting. Accordingly, equity shareholders of the Transferee Company can vote either by way of (i) Postal Ballot or (ii) remote e-voting system or (iii) ballot paper at the venue of the meeting. The equity shareholders may refer to Notes to this Notice for further details on Postal Ballot and Remote e-voting.

The equity shareholders who have cast their vote by remote e-voting or through Postal Ballot prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

Explanatory Statement pertaining to the said resolution setting out the material facts and reasons thereof under Section 230, Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of the Scheme and other annexures including Proxy Form, Attendance Slip and Postal Ballot Form (as indicated in the index) are enclosed herewith. Copies of the same can also be obtained free of cost from the registered office of the Company situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 or at the office of authorised representative of the Company i.e. Sanjay Grover/ Devesh Kumar Vasisht/ Neeraj Arora, Company Secretaries in Practise having office at B-88, 1st Floor, Defence Colony, New Delhi-110024.

The Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, has appointed Ajay Bhagwati, Advocate as Chairperson and Shri Sanjeev Singhal, Chartered Accountant as an Alternate Chairperson of the said meeting.

Further, as directed by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, Shri Mayank Bansal, Chartered Accountant, has been appointed as a Scrutinizer for the said meeting of the Equity Shareholders for conducting the postal ballot, remote e-Voting and poll process in a fair and transparent manner.

The above-mentioned Scheme of Merger, if approved by the Equity Shareholders at the meeting, will be subject to the subsequent approval by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi.

**Sd/-**

**Dated:** 27th day of May, 2019

**Place:** New Delhi

**Ajay Bhagwati**  
**Chairperson appointed for the meeting**

**Registered Office of the Company:**

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

**NOTES:**

- 1. AN EQUITY SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY / PROXIES SO APPOINTED NEED NOT BE AN EQUITY SHAREHOLDER OF THE TRANSFERREE COMPANY. THE FORM OF PROXY DULY COMPLETED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE TRANSFERREE COMPANY SITUATED AT 2ND FLOOR, HARBANS BHAWAN-II, COMMERCIAL COMPLEX, NANGAL RAYA, NEW DELHI – 110046 NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE AFORESAID MEETING.**
2. As per Section 105 of the Companies Act, 2013 and rules made thereunder, a person can act as proxy on behalf of equity shareholders not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Further, an equity shareholder holding more than 10% of the total share capital of the Transferee Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. All alterations made in the Form of Proxy should be signed/ initialed. Incomplete, unsigned, improperly or incorrectly completed proxy form may be rejected by the Scrutinizer.
4. Form of proxy is annexed to this Notice and can also be obtained from the registered office of the Transferee Company.
5. The Physical copies of the Notice of this NCLT convened meeting are being sent to all the Equity Shareholders, by Courier, whose names appear in the Register of Members and list of Beneficial Owner as provided by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on Friday, May 03, 2019 i.e. cut-off date. The equity shareholders who have registered their e-mail IDs for receipt of documents in electronic mode have been sent the notice by e-mail. A person who is not an equity shareholder as on cut-off date shall not be eligible to vote through any mode and treat this notice for information purposes only. The Notice shall be communicated to Stock Exchanges

Depository and Share Transfer Agent of the Company and shall also be displayed on the website of the Company i.e. [www.lumaxautotech.com](http://www.lumaxautotech.com).

6. The authorized representative of a Body Corporate or Foreign Institutional Investor (“FII”) or Foreign Portfolio Investor (“FPI”), which is a registered Equity Shareholder of the Company may attend and vote at the NCLT convened meeting of Equity Shareholders’ of the Transferee Company provided a certified true copy of the resolution of the Board of Directors or other governing body of such Body Corporate / FII / FPI authorizing such representative to attend and vote at the NCLT Convened meeting of Equity Shareholders is lodged at the registered office of the Transferee Company situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 at least 48 hours before the commencement of the meeting.
7. Equity Shareholders are informed that in case of joint holders attending the meeting, joint holder whose name stands first in the Register of Members and in his / her absence by the next named member of the Transferee Company in respect of such joint holding will be entitled to vote.
8. Equity Shareholders are requested to bring and hand over the enclosed Attendance Slip, duly filled and signed in accordance with their specimen signature(s) registered with the Transferee Company / Depository for admission to the meeting hall. Shareholders who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification at the meeting.
9. An equity shareholder desiring to exercise his vote by Postal Ballot Form are requested to carefully read the instructions printed in the Postal Ballot Form. Duly completed and signed Postal Ballot Form should reach the Scrutinizer on or before 5:00 P.M. on the 4<sup>th</sup> day of July, 2019. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Form will be rejected.
10. Bigshare Services Pvt. Ltd. is the Registrar & Share Transfer Agent of the Company. All investor related communication may be addressed at [vinod.y@bigshareonline.com](mailto:vinod.y@bigshareonline.com) and/or at the following address 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol Andheri East, Mumbai - 400059.
11. Route map and details of prominent land mark of the venue of the meeting is provided and forms part of the Notice.
12. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, an equity shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than 3 (three) days of notice in writing is given to the Transferee Company.
13. The quorum of the Meeting of the Equity Shareholders of the Transferee Company shall be 2000 (Two Thousand) in number. In case the quorum is not present in the Meeting at the scheduled time, then the Meeting shall be adjourned by half an hour, and thereafter, the person present at the Meeting shall be deemed to constitute the quorum.
14. As directed by the Tribunal, Shri Mayank Bansal, Chartered Accountant, has been appointed as scrutinizer for the said NCLT convened meeting of the Equity Shareholders for conducting the Postal Ballot, remote e-Voting and poll process in a fair and transparent manner. The Scrutinizer will after the conclusion of meeting submit its report to the NCLT appointed Chairperson of the meeting after completion of scrutiny of the Postal Ballots, remote e-Voting and Poll process. Thereafter, as per Order of Hon’ble Tribunal, the Chairperson shall report the result of the meeting to the Hon’ble Tribunal within 2 weeks from the date of holding of the meeting with regard to proposed Scheme.
15. The documents referred to in the accompanying notice and Explanatory Statement and pursuant to applicable provisions, shall be open for inspection, without any fee, by the Equity Shareholders of Transferee Company at its registered office between 10.00 am to 5.00 pm on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the NCLT convened meeting.
16. The Notice convening the aforesaid NCLT convened meeting will be published through advertisement in (i) Business Standard (in Delhi Edition), an English language and (ii) Jansatta (in Delhi Edition) in hindi language.
17. Equity Shareholders can opt for only one mode of voting i.e. either through remote E-Voting or Postal Ballot or Ballot Paper at NCLT Convened Meeting of Equity Shareholders. In case Equity Shareholders cast their vote by more than one means of voting, then voting will be counted in the following sequence of priority, namely, (i) Remote E-Voting, (ii) Postal Ballot, and (iii) Ballot Paper at NCLT Convened Meeting, as may be applicable.
18. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of members as on Friday, May 03, 2019 i.e. the cut-off date.
19. It is clarified that voting by Postal Ballot or Remote e-Voting does not disentitle an equity shareholder as on the Cut-off date from attending the NCLT convened meeting of Equity Shareholders. It is further clarified that the Proxies can only vote on Poll at the NCLT convened meeting of Equity Shareholders and not through any other mode.
20. All investor related communication may be addressed to the office of Registrar & Share Transfer Agent of the Company



situated at the following address 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments, Makwana Road, Marol Andheri East, Mumbai – 400059 or at the Registered office of the Transferee Company at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046.

## 21. NOTES AND INSTRUCTIONS FOR VOTING THROUGH POSTAL BALLOT FORM:

- a. The postal ballot form together with self-addressed postage pre-paid Business Reply Envelope (BRE) is enclosed for use of the member(s). Members are requested to also refer to the instructions printed behind the postal ballot form for exercising their vote in physical form.
- b. Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of equity shareholder as on Friday, May 03, 2019 i.e. the cut-off date for dispatch of postal ballot notice. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting by way of postal ballot as well as voting at the meeting by way of polling paper and remote e-Voting. Any person who acquires shares of the Company and becomes the member of the Company after the cut-off date shall not be eligible to vote either through remote e-Voting or through postal ballot or by way of Ballot paper at NCLT convened meeting of Equity Shareholders.
- c. In case of shares held by Companies, Institutional Members (FPIs/ Foreign Institutional Investors / Trust / Mutual Funds / Banks etc.), duly completed Postal Ballot Form should also be accompanied by a certified true copy of the board resolution / other authority letter together with the attested specimen signatures of the duly authorized person exercising the voting by postal ballot.
- d. Physical copies of the Notice of this NCLT convened meeting are being sent to those Equity Shareholders whose email-IDs are not available/registered with the Company, by Courier.
- e. In case equity shareholder is desirous of obtaining a Duplicate Postal Ballot Form, it / he / she may send an e-mail to vinod.y@bigshareonline.com. The Registrar and Share Transfer Agent or the Company shall forward the same along with self-addressed postage-prepaid Business Reply Envelope to such equity shareholder.
- f. An equity shareholder cannot exercise its/ his / her vote on Postal Ballot Form through proxy.
- g. There will be only 1 (one) Postal Ballot Form for every registered folio/client ID irrespective of the number of joint members. A Postal Ballot Form shall be considered invalid if:
  - A Form other than one issued by the Company has been used;
  - It has not been signed by or on behalf of the Member;
  - Signature on the Postal Ballot Form doesn't match the specimen signatures with the Company;
  - It is not possible to determine without any doubt the assent or dissent of the Member;
  - Neither assent nor dissent is mentioned;
  - Any incomplete, torn, incorrectly completed, mutilated, over-written form;
  - Any competent authority has given directions in writing to the Company to freeze the Voting Rights of the Member;
  - The envelope containing the Postal Ballot Form is received after the last date prescribed;
  - The Postal Ballot Form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority;
  - It is defaced or mutilated in such a way that its identity as a genuine form cannot be established;
  - Member has made any amendment to the Resolution or imposed any condition while exercising vote.
- h. An Equity Shareholder desiring to exercise vote by Postal Ballot Form shall complete & sign (as per specimen signature registered with the Transferee Company and /or furnished by National Securities Depository Limited / Central Depository Services (India) Limited) the enclosed Postal Ballot Form titled "**Postal Ballot Form - NCLT Convened Meeting**" with assent (for) or dissent (against) and send it to the scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballot Form, if sent by courier or by registered post at the expense of the Equity Shareholder will also be accepted. The envelopes may also be deposited personally at the address given thereon. The Postal Ballot Form duly completed and signed should be returned in the enclosed self-addressed postage prepaid Business Reply Envelope so as to reach the scrutinizer on or before 4<sup>th</sup> day of July, 2019, 05:00 PM (IST). Any Postal Ballot Form received after 4<sup>th</sup> day of July, 2019, 05:00 PM (IST) shall be treated as if the reply from the Equity Shareholder has not been received. The Company shall not be responsible for the loss or delay attributable to the postal department or for reasons beyond the control of the Company. The Equity Shareholders are requested to carefully read the instructions printed overleaf the Postal Ballot Form before exercising their votes.

## 22. INSTRUCTIONS AND PROCESS FOR REMOTE E-VOTING IS AS UNDER:

- I. **Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Fintech Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).
- (A) In case a Member receives an email from Bigshare Services Private Limited [for Members whose email IDs are registered with the Company/Depository Participants (s)]:
- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
  - iii. After entering these details appropriately, click on "LOGIN".
  - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - v. You need to login again with the new credentials.
  - vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Lumax Auto Technologies Limited'
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - x. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email [mayank.bansal099@gmail.com](mailto:mayank.bansal099@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "**Lumax Auto Technologies Limited**".
- (B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
- i. E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
  - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.
- II. Voting at the Meeting:** The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the Meeting. The Company will make necessary arrangements in this regard at the Meeting Venue. The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.



A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the Meeting. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the Meeting shall be treated as invalid.

#### **OTHER INSTRUCTIONS**

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. S.V. Raju, Deputy General Manager, Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 6716 1569 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on 5<sup>th</sup> Day of June 2019 (9:00 A.M. IST) and ends on 4<sup>th</sup> day of July, 2019 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of May 03, 2019, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d. The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. May 03, 2019.
- e. The shareholder may obtain the User ID and Password in the manner as mentioned below:
  - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: **MYEPWD** <space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399  
Example for NSDL:  
MYEPWD <SPACE> In12345612345678  
Example for CDSL:  
MYEPWD <SPACE> 1402345612345678  
Example for Physical:  
MYEPWD <SPACE> XXXX1234567890
  - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii. Member may call Karvy's toll free number 1800-3454-001.
  - iv. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

**EXPLANATORY STATEMENT UNDER SECTION 230 & SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE NCLT CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF LUMAX AUTO TECHNOLOGIES LIMITED**

Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, by Order dated May 14, 2019 and May 21, 2019 ("Order") in the Company Application referred to above, with respect to the Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme") has directed for convening a meeting of the Equity Shareholders of Lumax Auto Technologies Limited ("NCLT convened meeting") on Friday, the 5<sup>th</sup> day of July, 2019 at 12 Noon at Air Force Auditorium, Subroto Park, New Delhi- 110010 for the purpose of considering and if thought fit, approving, with or without modification(s), aforesaid Scheme of Merger.

1. The definitions contained in the Scheme will apply to this explanatory statement also.
2. A copy of the Scheme setting out in detail the terms and conditions of the Merger, *inter-alia*, providing for the proposed Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective shareholders and creditors, which has been approved by the Board of Directors of the Transferee Company at its meeting held on 21<sup>st</sup> December, 2018 is attached to this explanatory statement and forms part of this statement as **Annexure A-1**.
3. Lumax DK Auto Industries Limited bearing CIN U34300DL1997PLC087110 (hereinafter referred to as "the Transferor Company") is a Public Company, limited by shares incorporated under the provisions of the Companies Act, 1956 on 07<sup>th</sup> of May, 1997 under the name and style of "Lumax GHSP Industries Limited" with Registrar of Companies, NCT of Delhi and Haryana. Thereafter, name of the Transferor Company/ Applicant Company was changed to "Lumax DK Auto Industries Limited" and in this regard, fresh Certificate of Incorporation was issued by Registrar of Companies, NCT of Delhi and Haryana on 04<sup>th</sup> day of March, 2003. At present, the Transferor Company/Applicant Company is having its registered office at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 within the jurisdiction of this Hon'ble Tribunal. Email: cao@lumaxmail.com. Pan No. AAACL2186P. The shares of the Transferor Company are not listed on any stock exchange in India.
4. Details of change of registered office of Transferor Company during the last five years on 4<sup>th</sup> day of December 2017, Registered office of the Lumax DK Auto Industries Limited has been change within State of NCT of Delhi from B-86, Mayapuri Industrial Area, Phase-I, New Delhi-110064 to 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nagal Raya, New Delhi-110046.
5. Details of change of objects of Transferor Company during the last five years on 11<sup>th</sup> July, 2014 by revising the Objects clauses as per Companies Act, 2013.
6. The share capital structure of the Transferor Company as on 31<sup>st</sup> March, 2019 is as follows:

| Particulars   | Amount (in Rs.)       |
|---|-----------------------|
| <b>Authorised Share Capital</b>                       |                       |
| 2,11,00,000 Equity Shares of Rs.10/- each             | 21,10,00,000/-        |
| <b>Total Authorised Share Capital</b>                 | <b>21,10,00,000/-</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b>   |                       |
| 42,40,313 Equity Shares of Rs.10/- each fully paid up | 4,24,03,130/-         |
| <b>Total Paid-up Share Capital</b>                    | <b>4,24,03,130/-</b>  |

7. The Transferor Company is engaged in the manufacturing of automotive components. That the main objects of the Transferor Company are set out in its Memorandum of Association and one of the main object of the Transferor Company is to carry on the business as manufacturers, producers, fabricators, assemblers, agents, dealers, stockists, suppliers, contractors, jobbers, wholesalers, retailers, stores and warehouse, importers, exporters, repairers, hirers of parts and components, assemblies and sub-assemblies of transmission and braking systems including those needed, required or desired for acceleration, deceleration, engaging and disengaging the supply of power whether manually, mechanically, electrically or electronically, for all types of motor cars, motor buses, motor trucks, tractors, three wheelers, motor cycles, scooters, mopeds, other automotive vehicles usable on land, sea or air whether propelled or assisted by means of petrol, diesel oil, motor spirit gas, steam, electrical or animal power.

8. The details of the Directors of the Transferor Company as on 31<sup>st</sup> March, 2019 are as under:

| S. No. | Name of Directors      | Designation            | Address   |
|--------|------------------------|------------------------|---|
| 1.     | Mr. Dhanesh Kumar Jain | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 2.     | Mr. Deepak Jain        | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 3.     | Mr. Anmol Jain         | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 4.     | Mrs. Poysha Goyal Jain | Executive Director     | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 5.     | Mrs. Shivani Jain      | Executive Director     | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 6.     | Mr. Naval Khanna       | Non-Executive Director | BL-51, Anand Vihar Jail Road, Hari Nagar, New Delhi-110064                                  |
| 7.     | Mr. Dhiraj Dhar Gupta  | Non-Executive Director | 1, Under Hill Lane, Civil Lines, Delhi - 110054   |
| 8.     | Mr. Sanjay Mehta       | Non-Executive Director | Apartment No. 7 B, Belgravia Tower E, Central Park-2, Sector-48, Chakarapur, Gurgaon-122002 |

9. The details of the promoters of the Transferor Company as on 31<sup>st</sup> March, 2019 are as under:

| S. No. | Name of the Promoters           | Address   |
|--------|---------------------------------|---|
| 1.     | Lumax Auto Technologies Limited | 2 <sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 |

10. The Scheme has been approved unanimously by the Board of Directors of the Transferor Company at their meeting held on December 21, 2018. Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors      | Vote(favour /against/abstain from voting) |
|--------|------------------------|---|
| 1.     | Mr. Dhanesh Kumar Jain | Favour                                    |
| 2.     | Mr. Deepak Jain        | Favour                                    |
| 3.     | Mr. Anmol Jain         | Favour                                    |
| 4.     | Mrs. Poysha Goyal Jain | Favour                                    |
| 5.     | Mrs. Shivani Jain      | Favour                                    |
| 6.     | Mr. Dhiraj Dhar Gupta  | Leave of absence                          |
| 7.     | Mr. Naval Khanna       | Favour                                    |
| 8.     | Mr. Sanjay Mehta       | Favour                                    |

11. Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferor Company: Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.
12. Disclosure about the effect of the Scheme on the following persons of Transferor Company:

|                                      |   |
|--------------------------------------|---|
| Key managerial personnel(s)          | On the approval of the Scheme, Transferor Company will merge into Transferee Company and KMPs of Transferor Company will cease to hold their respective positions.            |
| Directors                            | On the approval of the Scheme, Transferor Company will merge into Transferee Company and Directors of Transferor Company No. 1 will cease to hold their respective positions. |
| Promoters and Non – promoter Members | The members including promoter members of the Transferor Company will cease to be the members of the Transferor Company,  |
| Depositors                           | No effect. There are no depositors  |

|                   |   |
|-------------------|---|
| Creditors         | No effect on the creditors. On the approval of the Scheme and with effect from the Appointed Date and subject to the provisions of Scheme of Merger, all creditors will be vested in and assumed by Transferee Company on the same terms and conditions, as before. |
| Deposit trustee   | No effect. There is no deposit trustee  |
| Debenture holders | No effect. There are no debenture holders   |
| Debenture trustee | No effect. There is no debenture trustee  |
| Employees         | No effect on the employees. On approval of the Scheme of Merger, and with effect from the Appointed Date all employees of the Transferor Company shall be deemed to have become the employees of Transferee Company.  |

13. **Lumax Auto Technologies Limited** bearing CIN L31909DL1981PLC349793(hereinafter referred to as “the Transferee Company”) is a listed public Company incorporated under the provisions of the Companies Act, 1956 on 30<sup>th</sup> day of October, 1981 under the name and style of “Lumax Auto Electricals Private Limited”. Thereafter, name of the Transferee Company was changed to “Dhanesh Auto Electricals Private Limited” and in this regard, a new certificate of incorporation was issued by Registrar of Companies, Bombay, Maharashtra on 02<sup>nd</sup> day of November, 1988. Thereafter, the Transferee Company was converted into Public Company i.e. “Dhanesh Auto Electricals Limited” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 30<sup>th</sup> day of May, 2002. Thereafter again, name of the Transferee Company was changed to “Lumax Auto Technologies Limited” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 02<sup>nd</sup> day of August, 2006. Further again, the registered office of the Transferee Company was shifted from State of Maharashtra in Pune to NCT of Delhi and Haryana vide order passed by the Regional Director (Western Region) dated April 23, 2019. Therefore, at present, the registered office of the Transferee Company is situated at 2<sup>nd</sup> Floor, Harbons Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046. Email: shares@lumaxmail.com. Pan No. AAACD4090Q. The equity shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

14. Details of change of registered office of Transferee Company during the last five years-

The registered office of the Transferee Company was shifted from State of Maharashtra in Pune to NCT of Delhi and Haryana vide order passed by the Regional Director (Western Region) dated April 23, 2019. Therefore, at present, the registered office of the Transferee Company is situated at 2<sup>nd</sup> Floor, Harbons Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046 within the jurisdiction of this Hon’ble NCLT.

15. Details of change of objects of Transferee Company during the last five years on 4th February, 2015 by adding clause 6 -To carry on business of manufacturer, importer, exporter, trader of and deal with all kinds of electronics systems Design and manufacturing(ESDM) products including automotive electronics, solar photovoltaic, consumer electronics, set top boxes, avionics, telecom, Light Emitting Diodes, electronics components and other allied goods .

16. The share capital structure of the Transferee Company as on 31<sup>st</sup> March 2019 is asfollows:

| Particulars   | Amount (in Rs.)       |
|---|-----------------------|
| <b>Authorised Share Capital</b>                     |                       |
| 7,50,00,000 Equity Shares of Rs. 2/- each.          | 15,00,00,000/-        |
| <b>Total Authorised Share Capital</b>               | <b>15,00,00,000/-</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                       |
| 6,81,57,705 Equity Shares of Rs. 2/- each.          | 13,63,15,410/-        |
| <b>Total Paid-up Share Capital</b>                  | <b>13,63,15,410/-</b> |

17. The Transferee Company is engaged in the manufacturing of automotive components. That the main object of the Transferee Company is set out in its Memorandum of Association and one of the main object of the Transferee Company is to carry on the business of manufacturers of, dealer in, importers and exporters, hirers, repairers, cleaner, stores, and

warehouses of Automobile parts, agricultural implements and their Ancillaries (including motor cars, trucks, buses, tractor, dozers, road rollers, motor cycles, cycle cars, motors, scooters, bicycles, carriages and conveyance parts and ancillaries) whether propelled or assisted by means of petrol motor spirit, steam, gas, diesel oil, electrical, animal or other power.

18. Details of Directors of the Transferee Company as on 31<sup>st</sup> March 2019 are as under:

| S. No. | Name of Directors      | Designation            | Address  |
|--------|------------------------|------------------------|--|
| 1.     | Dhanesh Kumar Jain     | Executive Chairman     | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 2.     | Anmol Jain             | Managing Director      | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 3.     | Deepak Jain            | Non-Executive Director | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 4.     | Sanjay Mehta           | Non-Executive Director | Apartment No. 7 B, Belgravia Tower-E, Central Park-2, Sector-48, Chakarpur, Gurgaon-122002           |
| 5.     | Arun Kumar Malhotra    | Independent Director   | E Tower - 802, the Plam Springs Golf Course Road, Sector 54 Sikanderpur, Ghosi(68), Gurgaon - 122002 |
| 6.     | Avinash Parkash Gandhi | Independent Director   | C-2/14, Safdarjung Development Area, New Delhi-110016  |
| 7.     | Roop Salotra           | Independent Director   | C-145, Sarvodaya Enclave, New Delhi-110017   |
| 8.     | Milap Jain             | Independent Director   | Flat No. C - 802, Prateek Stylome, Sector - 45, Noida, Gautam Buddha Nagar, Noida-201301             |
| 9.     | Kanchan Kumar Gandhi   | Independent Director   | A-4/503, Ekta Garden Apartments, 9, I.P. Extension Patparganj, Shakarpur, East Delhi - 110092        |
| 10.    | Diviya Chanana         | Independent Director   | D-79, Gulmohar Park, New Delhi - 110049  |

19. Details of Promoters of the Transferee Company as on 31<sup>st</sup> March 2019 are as under:

| S. No. | Name               | Address  |
|--------|--------------------|--|
| 1.     | Dhanesh Kumar Jain | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |
| 2.     | Deepak Jain        | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |
| 3.     | Anmol Jain         | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |

20. The Scheme has been approved unanimously by the Board of Directors of the Transferee Company at their meeting held on December 21, 2018. Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors      | Vote(favour/against/abstain from voting) |
|--------|------------------------|--|
| 1.     | Dhanesh Kumar Jain     | Favour                                   |
| 2.     | Deepak Jain            | Favour                                   |
| 3.     | Anmol Jain             | Favour                                   |
| 4.     | Arun Kumar Malhotra    | Favour                                   |
| 5.     | Avinash Parkash Gandhi | Favour                                   |
| 6.     | Diviya Chanana         | Leave of absence                         |
| 7.     | Sanjay Mehta           | Favour                                   |
| 8.     | Roop Salotra           | Leave of absence                         |
| 9.     | Milap Jain             | Favour                                   |
| 10.    | Kanchan Kumar Gandhi   | Favour                                   |

18. Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferee Company: Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.
19. Disclosure about the effect of the Scheme on the following persons of Transferee Company:

|                                      |   |
|--------------------------------------|---|
| Key managerial personnel(s)          | No effect                                 |
| Directors                            | No effect                                 |
| Promoters and Non – promoter Members | No effect                                 |
| Depositors                           | No effect. There is no depositors         |
| Creditors                            | No effect                                 |
| Deposit trustee                      | No effect. There is no deposit trustee    |
| Debenture holders                    | No effect. There are no debenture holders |
| Debenture trustee                    | No effect. There is no debenture trustee  |
| Employees                            | No effect                                 |

21. **Relationship between parties, Rationale and Salient Features of the Scheme:**

a. **Relationship between the Companies:**

The Lumax DK Auto Industries Limited (Transferor Company) is wholly owned subsidiary of Lumax Auto Technologies Limited (Transferee Company).

b. **Rationale of the Scheme:**

- a) Achieving business and Administrative synergies.
- b) Consolidation and simplification of the group structure, cost savings resulting from rationalization, standardization and simplification of business processes and the elimination of duplication, and rationalization of administrative expenses, reduction in regulatory & legal compliances.
- c) Improved organizational capability arising from pooling of financial resources.
- d) Diversified portfolio in Manufacturing Business.
- e) Maximize the overall Shareholders' value by strengthening its core competencies and achieving economies of scale.
- f) The merger will improve the management of the Transferee Company by combining the legal entities and will reduce expenditure by eliminating administrative functions and multiple record keeping.

c. **Salient Features of the Scheme:**

The salient features of the Scheme are as follows:

1.3 **DEFINITIONS**

*In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:*

- a) *"The Act" means the Companies Act, 2013 along with Rules Framed thereunder or any statutory amendment and/or re-enactment thereof, from time to time and for the time being in force.*
- b) *"The Appointed Date" for the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1<sup>st</sup> April, 2018.*
- c) *"Board of Directors" or "Board" means the Board of Directors of the Transferor Company and/ or the Transferee Company, as the case may be, and shall unless it is repugnant to the context or otherwise, include a duly constituted Committee of Directors of the respected companies for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matters in relation thereto.*
- d) *"Legal Proceedings" means any proceedings taken by and/or against the Transferor Company in any Court/ Tribunal/ Forum/ Authority, as pending on the Appointed Date*
- e) *"SEBI" means Securities and Exchange Board of India established under the Securities Exchange Board of India Act, 1992.*



- f) “SEBI Circular” means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI applicable to the Schemes from time to time.
- g) “Scheme” or “This Scheme” or “the Scheme” or “Scheme of Merger” or “Scheme of Merger by way of Absorption” means the present Scheme of Merger by way of Absorption framed under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Rules framed thereunder as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as submitted in the present form or with any modification(s) imposed or directed by Shareholders / Creditors of the respective Transferor Company and Transferee Company and/or by the Hon’ble NCLT or by any competent authority(ies).
- h) “Stock Exchanges” means BSE Limited and National Stock Exchange of India Limited.
- i) “The Transferor Company” means Lumax DK Auto Industries Limited, as explained in Preamble Clause (A) 1 of the Scheme.
- j) “The Transferee Company” means Lumax Auto Technologies Limited, as explained in Preamble Clause (A) 2 of the Scheme.
- k) “Law” or “Applicable Law” includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, Tribunal, Court of India or any other country or jurisdiction as applicable.
- l) “National Company Law Tribunal” or “NCLT” or “Hon’ble Tribunal” means the Hon’ble National Company Law Tribunal at Mumbai having jurisdiction in relation to the Transferee Company and Hon’ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company.
- m) “National Company Law Appellate Tribunal” or “NCLAT” or “Hon’ble NCLAT” means the Hon’ble National Company Law Appellate Tribunal at New Delhi.
- n) “ROC” or “Registrar of Companies” means the Registrar of Companies, Pune having jurisdiction over the Transferee Company and Registrar of Companies, NCT of Delhi and Haryana having jurisdiction over the Transferor Company.
- o) “The Effective Date” in relation to the scheme, means last of the dates on which the certified copy of the order of Hon’ble National Company Law Tribunal sanctioning the Scheme of Merger are filed by the Transferor Company and the Transferee Company with the respective Registrar of Companies.

Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.

- p) “Undertaking” in relation to the Transferor Company, shall mean the entire Business of Transferor Company on a going concern basis as on appointed date.
- q) “IT Act” means the Income Tax Act, 1961, as amended from time to time.

All terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable law (as defined above), rules, regulations, bye-laws, as the case may be including any statutory modification or re-enactment thereof from time to time.

References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.

In this Scheme, where the context so requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

## **PART-II**

### **TRANSFER AND VESTING OF UNDERTAKINGS OF THE TRANSFEROR COMPANY IN TO THE TRANSFEE COMPANY**

- 2.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the entire business and the undertakings of the Transferor Company including without limitation, all the movable and immovable properties & assets, liabilities, losses, duties, obligations, including those arising on account of taxation laws and other allied laws, reserve & surplus including Securities Premium Account shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company pursuant to the sanction of this Scheme by the Hon’ble NCLT and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the Income-Tax Act, 1961, as a going concern, without any further act, instrument, deed, matter or thing to be made, done or executed.

2.2 *With effect from the commencement of business on the Appointed Date and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, entire undertaking along with business and all properties whether moveable or immovable or tangible or intangible wherever situated and also all other assets, capital, work-in-progress, current assets, movable assets, all investments in India or out of India, if any, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, all licenses viz. business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, Know – how, Service marks, trade secrets, brands, copy rights, patents, quota rights, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures subsidies, capital subsidies, concessions, exemptions, Government Incentives, sales tax, Goods and Service Tax exemptions, approvals, clearances, environmental clearances, occupancy certificate, approval from fire department, approval for water, electricity and sewerage, approval from irrigation department, approval from underground water authority, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, Computer Software/licenses, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as “the said assets”) shall, without any further act, instrument or deed and without payment of any duty or other charges, be transferred to and vested in the Transferee Company as a going concern pursuant to the applicable provisions of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company.*

2.3 *Without prejudice to the generality of Clauses 2.1 and 2.2 above, upon occurrence of the Effective Date, the Transferor Company shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date.*

#### **2.4 TRANSFER OF ASSETS**

2.4.1 *All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.*

2.4.2 *Without prejudice to the provisions of Clause 2.4.1, it is expressly provided that in respect of such of the said assets and properties of the undertaking as are movable in nature or incorporeal property or are otherwise capable of being transferred by physical delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the Hon'ble NCLT or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the integral part of the Undertaking and property of the Transferee Company accordingly.*

2.4.3 *In respect of movables other than those dealt with in Clause 2.4.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.*

2.4.4 *All The assets and properties as on the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties, which are/if any, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.*

2.4.5 *For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, quotas, liberties, special status, certificates, clearances, authorities, powers of attorney, tax deferrals and all other benefits and privileges enjoyed or conferred upon or held or availed of by the Transferor Company or issued to or executed in favor of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.*

2.4.6 *For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, if any, including all the leases, of the Transferor Company shall without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.*

## **2.5 TRANSFER OF LIABILITIES**

- 2.5.1 *In accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Upon coming into effect of this Scheme, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.*
- 2.5.2 *All debts, liabilities, guarantees, indemnities, contingent liabilities, disputed liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statements of the Transferor Company and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company by virtue of the Scheme, so as to become as and from the Appointed Date, the debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of the Transferee Company.*
- 2.5.3 *Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.*
- 2.5.4 *Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.*
- 2.5.5 *To the extent there are inter-corporate loans, liabilities, duties, debts and claims (including deferred tax liabilities and contingent liabilities) if any, due or which may hereafter become due, between the Transferor Company and the Transferee Company or vice versa, the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such loans, liabilities, duties, debts and claims (including receivables), due or which may hereafter become due, between the Transferee Company on the one hand and the Transferor Company on the other hand.*
- 2.5.6 *Any loans, advances and other facilities sanctioned to the Transferor Company by their bankers and financial institutions from the Appointed Date till the Effective Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.*

## **2.6 ENCUMBRANCES**

- 2.6.1 *The transfer and vesting of the Undertaking to and in Transferee Company shall be subject to the existing securities, mortgages, charges, hypothecation, encumbrances or liens, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Company.*
- 2.6.2 *All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.*

## **2.7 TREATMENT OF TAXES**

- 2.7.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax, Goods and Services Tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including advance tax and tax deducted at source) as on the date immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.
- 2.7.2 All taxes including Income Tax, Wealth Tax, Minimum Alternate Tax, Service Tax, Sales Tax, Goods and Services Tax and all other statutory taxes, if any, paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date shall be on account of the Transferor Company, and in so far as it relates to the payment of taxes (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 2.7.3 Any refunds, input credits, benefits, incentives, grants, subsidies etc. under the Income Tax Act, 1961, the Goods and Services Tax Act, 2017 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 2.7.4 All taxes, benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales tax, Service tax, Goods and Services tax etc. or any tax deduction/ collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to NCLT. The benefit of all taxes paid including minimum alternate tax under Income Tax Act, unabsorbed depreciation, carry forward of losses as well as set-off of losses thereof shall be available to the Transferee Company as would have been available to the Transferor Company upon the sanction of the scheme by the NCLT.
- 2.7.5 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, Value added Tax, Goods and Service Tax etc., to which the respective Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 2.7.6 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, such tax proceedings/appeals shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, as the case may be. These proceedings/appeals shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation (i.e. merger by way of absorption) of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 2.7.7 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant labour laws, Income tax, sales tax including value added tax, service tax, Goods and Services Tax, Wealth tax and other applicable tax laws, and to claim refunds and/ or credits for dues and/ or taxes paid and/ or depreciation benefits, if any, as may be required consequent to implementation of this Scheme.

## **3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 3.1 Subject to the provisions of this Scheme, all contracts, deeds, bonds, schemes, agreements, arrangements and other instruments of whatsoever nature (including all tenancies, leases, licenses and other assurances in favour of any of the Transferor Company or powers or authorities granted by or to any of the Transferor Company), to which the Transferor Company is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favor of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.



- 3.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the secured creditors of the Transferor Company or in favor of any other party to any contract or arrangement to which any of the Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement and carry out all such formalities or compliance referred to above on the part/behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3.3 Any inter-se contracts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Transaction(s), if any, between the Transferor Company and Transferee Company after the Appointed Date and until the Effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.

#### **4. LEGAL PROCEEDINGS AND OTHER RESOLUTIONS**

- 4.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending at the Effective Date, shall not be abated or discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, and enforced by or against the Transferor Company as if the Scheme had not been made.
- 4.2 The resolutions, including resolutions passed under Section 180(1)(a), Section 180(1)(c) and Section 186 of the Act, if any, of the Transferor Company, which are valid and subsisting on the effective date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and where such resolutions have any upper monetary or other limit(s) being fixed under the provisions of the Act or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 4.3 Upon the Scheme becoming effective, all the Directors of the Transferor Company shall cease to hold office as Directors thereof with effect from the Effective date. However, on the Scheme becoming effective, and having regard to the expertise and their involvement in the affairs of the Transferor Company and for ensuring smooth transition and integration of the business of Transferor Company, both the executive directors of the Transferor Company shall be inducted as employees of the Transferee Company, on same amount of the remuneration payable to each of them as on 31 March, 2019 for the remaining period of their tenure, and thereafter the said remuneration will be revised as may be considered appropriate by the Board from time to time and it is clarified herein that approval of the Scheme by the Audit Committee, Board and Shareholders of the Transferee Company shall be deemed to be the approval under Section 188(1)(f) of the Act and thus, no separate resolution or approval under the Act shall be required to pass for their appointment and terms of appointment in the Transferee Company.

#### **5. DISSOLUTION OF TRANSFEROR COMPANY**

On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up.

#### **6. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANY**

- 6.1 All the employees of the Transferor Company who are in its permanent employment, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the permanent employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions as to employment and remuneration not less favorable than those subsisting in the concerned Transferor Company on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall be continued to be governed by their existing agreements and terms and conditions of their employment. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).
- 6.2 Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming effective, the name of Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. With effect from the date of filing of this Scheme with the Hon'ble NCLT and till the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of their respective employees, except with the written consent of the Transferee Company.

## **7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFeree COMPANY**

7.1 *With effect from the Appointed Date until the Effective Date, the Transferor Company-*

7.1.1 *Shall possess of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.*

7.1.2 *Shall carry on and shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges, expenses or losses (including taxes) arising or incurred or suffered by the Transferor Company shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or losses (including taxes), as the case may be, of the Transferee Company.*

7.2 *Any corporate action by Transferor Company on or after the Appointed Date until the Effective Date shall, upon the Scheme becoming effective, be treated as having been taken by the Transferee Company without any further application, act or deed etc. and shall be dealt with accordingly.*

7.3 *Till such time, the names of the Bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary.*

7.4 *Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.*

7.5 *Notwithstanding anything contained in sub-clause '7.1' to '7.4' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses till the Merger is effective.*

## **8. CONSIDERATION**

8.1 *Upon the Scheme being sanctioned by the Hon'ble Tribunal, there will be no issue and allotment of any shares by the Transferee Company in consideration of Merger of the Transferor Company with the Transferee Company as the Transferor Company is wholly owned subsidiary Company of the Transferee Company and the entire paid up share capital of the Transferor Company is held by Transferee Company along with Nominees of Transferee Company. All equity shares held by the Transferee Company and its Nominee(s) in the Transferor Company shall be cancelled and extinguished as on the Appointed Date.*

8.2 *Upon the scheme becoming effective, entire issued, subscribed and paid-up equity share capital of Transferor Company shall, ipso facto, without any further application, act, deed or instrument stand extinguished and cancelled and no new shares of the Transferee Company will be issued or allotted with respect to the equity shares held by the Transferee Company and its nominee in the Transferor Company.*

8.3 *The Transferee Company undertakes not to transfer any of the shares held by it of the Transferor Company till the merger is completed.*

8.4 *The Transferor Company undertakes not to increase its share capital by issuing shares to any entity other than Transferee Company till Merger is completed.*

8.5 *Upon the scheme becoming effective, share certificates and/or the shares in electronic form representing the shares held by the Transferee Company (including its Nominees) in the Transferor Company shall be cancelled without any further application, act, instrument or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.*

## **9. UPON THIS SCHEME BECOMING EFFECTIVE**

9.1 *Entire issued share capital of the Transferor Company both in electronic form and in the physical form, as the case may be, shall automatically stand cancelled.*

9.2 *The Authorized Share Capital of the Transferor Company shall get merged to form new Authorized Share Capital of the Transferee Company and thereafter, the Authorised Share Capital of the Transferee Company shall stand increased to that extent without any further act, deed and the fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.*

9.3 *Accordingly, the Capital Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed be replaced by the following Clause:*



*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

*Further, Article 4 (a) of the Articles of Association of the Transferee Company shall, without any further act or deed be replaced by the following:*

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty-Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

- 9.4 *It is clarified that the consent and approval of the Scheme by the shareholders and/ or creditors of the Transferee Company shall be deemed to be sufficient for the purpose of effecting the Alteration of the Memorandum of Association and Articles of Association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and no further resolution(s) under the applicable provisions of the Act, would be required to be separately passed, nor any registration fee, stamp duty, etc. shall be payable by the Transferee Company. The Transferee Company shall file amended copy of Memorandum & Articles of Association with the concerned Registrar of Companies.*
- 9.5 *On this Scheme becoming effective, the shareholders and Creditors, wherever applicable, if any, of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme and no separate resolution under the Act shall be required to pass.*

## **10. ACCOUNTING TREATMENT**

- 10.1 *Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the merger shall be accounted in the books of accounts of the Transferee Company in accordance with applicable Indian Accounting Standard (Ind-AS) as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India as applicable on Effective Date.*
- 10.2 *It is further clarified that the excess of the Assets and Liabilities transferred to the Transferee Company would be credited to the 'Capital Reserve Account' and the shortfall of the Assets and Liabilities transferred to the Transferee Company would be debited to General Reserve, if any, of the Transferee Company.*
- 10.3 *Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the merger by way of absorption.*
- 10.4 *If there is any difference in accounting policies of the Transferor Company and that of the Transferee Company, the impact of the same till the Appointed date will be quantified and same shall be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.*

## **11. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

- 11.1 *Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company.*
- 11.2 *If any such resolutions have any monetary or other limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, imposed under the like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.*

## **PART-III**

## **12. CONDITIONALITY OF SCHEME AND OPERATIVE/ EFFECTIVE DATE OF THE SCHEME**

- 12.1 *This Scheme is and shall be conditional upon and subject to:*
- a. *Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;*
  - b. *The scheme being approved by the requisite majorities in number and value of such classes of members (as may be applicable) and/or creditors (wherever applicable), of the Transferor Company and the Transferee Company as may directed by Hon'ble NCLT.*
  - c. *The approval or sanction of the Hon'ble NCLT under Sections 230 to 232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.*
  - d. *The certified/ authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and the Transferee Company with the Registrar of Companies.*

- e. *The requisite approvals, sanctions, permissions or consents of any Governmental Authority or any statutory or regulatory authorities as may be required by law for the implementation of Scheme.*

### **13. APPROVAL OF SEBI AND STOCK EXCHANGES**

*In view of the SEBI Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated February 15, 2017 and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of merger of wholly owned subsidiaries with their Parent Company shall be filed with the Stock Exchanges for the purpose of disclosures and stock exchange shall disseminate the scheme documents on their website. The Transferee Company undertakes to comply with requirement of aforesaid and all other applicable SEBI Notification/ Circular.*

### **14. APPLICATION TO HON'BLE NCLT**

*The Transferor Company and the Transferee Company shall make application under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act to the Hon'ble NCLT where the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme and for the dissolution of the Transferor Company without winding-up and other concerned matters.*

### **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

15.1 *The Transferor Company and the Transferee Company through their respective Board of Directors or any Director/Executives or any committee authorized in that behalf (hereinafter referred to as the "Delegate") may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble NCLT and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.*

15.2 *In order to give effect to this Scheme or to any modification(s) or amendments or addition(s) thereof, the Board of Directors/ delegates of the Transferee Company may give and is authorized to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.*

### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

*In the event of this Scheme failing to take effect, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or employees or any other person. Each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.*

### **17. COST CHARGES AND EXPENSES CONNECTED WITH THE SCHEME**

*All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation (i.e. merger by way of absorption) of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company only. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates, other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc.*

### **18. SEVERABILITY**

*If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts/provisions of the scheme.*

**THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF MERGER. YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF MERGER TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.**

### **22. Submissions, Approvals and Other Information, Summary of Valuation Report and Fairness Opinion etc.**

- a. The Proposed Scheme was placed before the Board of Directors of the Transferee Company on December 21, 2018 and was approved.
- b. Valuation Report and Fairness Opinion is not applicable, since, Transferor Company is wholly owned subsidiary of the Transferee Company, the entire equity share capital of Transferor Company shall stand cancelled and hence no new equity shares will be allotted by the Transferee Company post-sanction of the proposed Scheme of Merger.
- c. Pursuant to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Regulation 37 of SEBI LODR Regulations, the Transferee Company has filed the draft scheme with BSE and NSE on 24.12.2018 and specific approval of the stock exchanges is not required in case of merger of wholly-owned subsidiary with its holding company.

- d. On the Scheme being approved by the requisite majority of the Shareholders, the Transferee Company and Transferor Company shall file a joint petition with the Hon'ble NCLT, Principal Bench at New Delhi for sanction of the Scheme under Sections 230 to 232 of the Companies Act, 2013.

**23. Directors, Promoters and Key Managerial Personnel (KMP):**

- a. The directors of the Transferor Company and the Transferee Company and relatives of the aforementioned persons may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies.
- b. Key Managerial Personnel (KMPs) other than Directors and their relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme.
- c. Save as aforesaid, none of the Directors and KMPs of the Transferor Company and the Transferee Company and their relatives have any material concern or interest, financial and / or otherwise in the Scheme.

**24. General:**

- a. To the knowledge of Transferor Company and Transferee Company, there is no petition pending for winding up of the any of the Company and there is no investigation or proceedings, if any pending against any of the Company.
- b. The Scheme also does not propose any capital or debt restructuring or any compromise or arrangement with the creditors of the Transferor Company and/ or the Transferee Company.
- c. It is confirmed that the copy of the Scheme, as approved by Board, has been filed with the concerned Registrar of Companies.
- d. In compliance with the requirement of Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, notice in the prescribed form and seeking approvals, sanctions or no-objections shall be served to the concerned regulatory and government authorities.
- e. Amount due to unsecured creditors -
  - Transferor Company - Rs. 43,73,94,615
  - Transferee Company- Rs. 1,33,04,10,153

**25. The Scheme is conditional upon and subject to the followings:**

- a. Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;
- b. the Scheme being approved by the requisite majorities in number and values of the such classes of members (as may be applicable) and/ or creditors (wherever applicable) of the Transferor Company and Transferee Company as may be directed by the NCLT;
- c. the Approval or sanction of the Hon'ble NCLT under Sections 230-232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.
- d. the certified / authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and Transferee Company with the Registrar of Companies.
- e. All other approvals, sanctions or consents of any Governmental Authority or any statutory authorities as may be required by law for the implementation of Scheme being obtained.

**26. Copy of the notice(s) issued to the Equity Shareholders of the Transferee Company, the Scheme of Merger and Explanatory Statement under Section 230 of the Companies Act, 2013 have been placed on the website of the Transferee Company at lumaxautotech.com.**

**27. The following documents will be open for inspection at its registered office between 11.00 am to 5.00 pm on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting:**

- a. Copy of the Company Application No. CA (CAA) 76 (PB)/ 2019, Company Application CA (CAA) No. 19/PB/2019 and Company Application CA - 959 (PB)/ 2019;
- b. Copy of the Order dated 14<sup>th</sup> Day of May, 2019 and 21<sup>st</sup> day of May, 2019 of the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi passed in the above Company Applications;

- c. Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
- d. Latest audited Financial Statement of the Transferee Company and Transferor Company for the period ended March 31, 2018;
- e. Copy of Supplementary Unaudited Accounting Statement of the Transferor Company and Transferee Company for the period ended December 31, 2018;
- f. Copy of Scheme of Merger;
- g. Certificate issued by the auditors of the Transferor Company and Transferee Company to the effect that the accounting treatment, if any proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of Companies Act, 2013;

**Sd/-**

**Dated:** 27th day of May, 2019

**Place:** New Delhi

Ajay Bhagwati

**Chairperson appointed for the meeting**

**Registered Office of the Company:**

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

**SCHEME OF MERGER**  
**(BY WAY OF ABSORPTION)**  
**OF**  
**LUMAX DK AUTO INDUSTRIES LIMITED**  
**(Transferor Company)**  
**WITH**  
**LUMAX AUTO TECHNOLOGIES LIMITED**  
**(Transferee Company)**  
**AND**  
**THEIR RESPECTIVE CREDITORS AND SHAREHOLDERS**  
**UNDER**  
**SECTIONS 230 to 232 AND ANY OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013 AND**  
**RULES MADE THEREUNDER**

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## INTRODUCTION

This Scheme of Merger (“**Scheme**”) provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Scheme is carved out into following parts:

- (i) **Preamble**- Background and Description of Companies.
- (ii) **Part I**–Definitions and Share Capital.
- (iii) **Part II**– Merger of the Transferor Company with the Transferee Company
- (iv) **Part III**- General Terms and Conditions applicable to this Scheme.

### PREAMBLE

#### **(A) BACKGROUND AND DESCRIPTION OF TRANSFEROR COMPANY & TRANSFEE COMPANY**

1. **LUMAX DK AUTO INDUSTRIES LIMITED** (CIN: U34300DL1997PLC087110) (hereinafter referred to as “the Transferor Company”) is a public Company, limited by shares incorporated under the provisions of the Companies Act, 1956 on 07<sup>th</sup> of May, 1997 under the name and style of “**Lumax GHSP Industries Limited**” with Registrar of Companies, NCT of Delhi and Haryana. Thereafter, name of the Transferor Company was changed to “**Lumax DK Auto Industries Limited**” and in this regard, fresh Certificate of Incorporation was issued by Registrar of Companies, NCT of Delhi and Haryana on 04<sup>th</sup> day of March, 2003. At present, the Transferor Company is having its registered office situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 within the jurisdiction of Hon’ble NCLT, New Delhi. As per Memorandum of Association of Transferor Company, one of the main objects of the Transferor Company to carry on the business as manufacturers, producers, fabricators, assemblers, agents, dealers, stockists, suppliers, contractors, jobbers, wholesalers, retailers, stores and warehouse, importers, exporters, repairers, hirers of parts and components, assemblies and sub-assemblies of transmission and braking systems including those needed, required or desired for acceleration, deceleration, engaging and disengaging the supply of power whether manually, mechanically, electrically or electronically, for all types of motor cars, motor buses, motor trucks, tractors, three wheelers, motor cycles, scooters, mopeds, other automotive vehicles usable on land, sea or air whether propelled or assisted by means of petrol, diesel oil, motor spirit gas, steam, electrical or animal power.

The details of Directors of Transferor Company are as under:

| S. No. | Name               | DIN      | Category               |
|--------|--------------------|----------|------------------------|
| 1.     | Dhanesh Kumar Jain | 00085848 | Non-Executive Director |
| 2.     | Deepak Jain        | 00004972 | Non-Executive Director |
| 3.     | Anmol Jain         | 00004993 | Non-Executive Director |
| 4.     | Poysa Goyal Jain   | 00005026 | Executive Director     |
| 5.     | Shivani Jain       | 00005018 | Executive Director     |
| 6.     | Naval Khanna       | 00110584 | Non-Executive Director |
| 7.     | Dhiraj Dhar Gupta  | 01089718 | Non-Executive Director |
| 8.     | Sanjay Mehta       | 06434661 | Non-Executive Director |

2. **LUMAX AUTO TECHNOLOGIES LIMITED** (CIN: L31909MH1981PLC025519) (hereinafter referred to as “the Transferee Company”) is a listed public Company incorporated under the provisions of the Companies Act, 1956 on 30<sup>th</sup> day of October, 1981 under the name and style of “**Lumax Auto Electricals Private Limited**”. Thereafter, name of the Transferee Company was changed to “**Dhanesh Auto Electricals Private Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Bombay, Maharashtra on 02<sup>nd</sup> day of November, 1988. Thereafter, the Transferee Company was converted into Public Company i.e. “**Dhanesh Auto Electricals Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 30<sup>th</sup> day of May, 2002. Thereafter again, name of the Transferee Company was changed to “**Lumax Auto Technologies Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 02<sup>nd</sup> day of August, 2006. At present, the registered office of the Transferee Company is situated at Plot No.70, Sector No. 10, PCNTDA, Bhosari, Pune, Maharashtra-411026 within the jurisdiction of Hon’ble NCLT, Mumbai. As per Memorandum of Association of the Transferee Company, some of the main objects of the Transferee Company is to carry on the business manufacturers of, dealer in, importers and exporters, hirers, repairers, cleaner, stores, and warehouses of Automobile parts, agricultural

implements and their Ancillaries (including motor cars, trucks, buses, tractor, dozers, road rollers, motor cycles, cycle cars, motors, scooters, bicycles, carriages and conveyance parts and ancillaries) whether propelled or assisted by means of petrol motor spirit, steam, gas, diesel oil, electrical, animal or other power.

The details of Directors of Transferee Company are as under:

| S. No. | Name                   | DIN      | Category               |
|--------|------------------------|----------|------------------------|
| 1.     | Dhanesh Kumar Jain     | 00085848 | Executive Chairman     |
| 2.     | Anmol Jain             | 00004993 | Managing Director      |
| 3.     | Deepak Jain            | 00004972 | Non-Executive Director |
| 4.     | Sanjay Mehta           | 06434661 | Non-Executive Director |
| 5.     | Arun Kumar Malhotra    | 00132951 | Independent Director   |
| 6.     | Avinash Parkash Gandhi | 00161107 | Independent Director   |
| 7.     | Roop Salotra           | 06650145 | Independent Director   |
| 8.     | Milap Jain             | 06738071 | Independent Director   |
| 9.     | Kanchan Kumar Gandhi   | 08165876 | Independent Director   |
| 10.    | Diviya Chanana         | 00737160 | Independent Director   |

3. The Transferor Company is wholly owned subsidiary of the Transferee Company. The Equity Shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

**(B) OBJECTIVE AND RATIONALE FOR THE PROPOSED SCHEME:**

It is proposed to consolidate the operations/business of the Transferor Company and the Transferee Company into a single Company by Merger of the Transferor Company with the Transferee Company pursuant to a Scheme of Merger (by way of Absorption) under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder. The Merger of the Transferor Company with the Transferee Company would result, *inter-alia*, in the following benefits:

- a. Achieving business and Administrative synergies.
- b. Consolidation and simplification of the group structure, cost savings resulting from rationalization, standardization and simplification of business processes and the elimination of duplication, and rationalization of administrative expenses, reduction in regulatory & legal compliances.
- c. Improved organizational capability arising from pooling of financial resources.
- d. Diversified portfolio in Manufacturing Business.
- e. Maximize the overall Shareholders' value by strengthening its core competencies and achieving Economies of Scale.
- f. The Merger will improve the management of the Transferee Company by combining the legal entities and will reduce expenditure by eliminating administrative functions and multiple record keeping.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the Merger/amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the Companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Merger for the transfer and vesting of entire undertaking and business of Transferor Company with and into Transferee Company, pursuant to provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

**(C) PARTS OF THE SCHEME:**

This Scheme is divided into the following parts:

1. **PART I** – This part deals with the Definitions of the terms used in the Scheme and Share Capital of the Transferor Company and Transferee Company.
2. **PART II** – This part provides for Merger of Lumax DK Auto Industries Limited (hereinafter referred to as “the Transferor Company”) with Lumax Auto Technologies Limited (hereinafter referred to as “the Transferee Company”).

3. **PART III** – This part deals with General Terms and Conditions applicable to this Scheme.
- (D) The Merger of the Transferor Company with the Transferee Company pursuant to and in accordance with the Scheme shall be operational with effect from the Appointed Date and shall be in compliance with the relevant provisions of the Income Tax Act, 1961.

## PART I

### DEFINITIONS & SHARE CAPITAL

#### 1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a) **“The Act”** means the Companies Act, 2013 along with Rules Framed thereunder or any statutory amendment and/or re-enactment thereof, from time to time and for the time being in force.
- b) **“The Appointed Date”** for the purpose of this Scheme and for Income Tax Act, 1961, the “Appointed Date” means 1<sup>st</sup> April, 2018.
- c) **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company and/ or the Transferee Company, as the case may be, and shall unless it is repugnant to the context or otherwise, include a duly constituted Committee of Directors of the respected companies for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matters in relation thereto.
- d) **“Legal Proceedings”** means any proceedings taken by and/or against the Transferor Company in any Court/Tribunal/Forum/Authority, as pending on the Appointed Date
- e) **“SEBI”** means Securities and Exchange Board of India established under the Securities Exchange Board of India Act, 1992.
- f) **“SEBI Circular”** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI applicable to the Schemes from time to time.
- g) **“Scheme” or “This Scheme” or “the Scheme” or “Scheme of Merger” or “Scheme of Merger by way of Absorption”** means the present Scheme of Merger by way of Absorption framed under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Rules framed thereunder as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as submitted in the present form or with any modification(s) imposed or directed by Shareholders / Creditors of the respective Transferor Company and Transferee Company and/or by the Hon’ble NCLT or by any competent authority(ies).
- h) **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited.
- i) **“The Transferor Company”** means **Lumax DK Auto Industries Limited**, is as explained in Preamble Clause (A) 1 above.
- j) **“The Transferee Company”** means **Lumax Auto Technologies Limited**, is as explained in Preamble Clause (A) 2 above
- k) **“Law” or “Applicable Law”** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, Tribunal, Court of India or any other country or jurisdiction as applicable.
- l) **“National Company Law Tribunal” or “NCLT” or “Hon’ble Tribunal”** means the Hon’ble National Company Law Tribunal at Mumbai having jurisdiction in relation to the Transferee Company and Hon’ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company.
- m) **“National Company Law Appellate Tribunal” or “NCLAT” or “Hon’ble NCLAT”** means the Hon’ble National Company Law Appellate Tribunal at New Delhi.
- n) **“ROC” or “Registrar of Companies”** means the Registrar of Companies, Pune having jurisdiction over the Transferee Company and Registrar of Companies, NCT of Delhi and Haryana having jurisdiction over the Transferor Company.
- o) **“The Effective Date”** in relation to the scheme, means last of the dates on which the certified copy of the order of Hon’ble National Company Law Tribunal sanctioning the Scheme of Merger are filed by the Transferor Company and the Transferee Company with the respective Registrar of Companies.

Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.

- p) **“Undertaking”** in relation to the Transferor Company, shall mean the entire Business of Transferor Company on a going concern basis as on appointed date.
- q) **“IT Act”** means the Income Tax Act, 1961, as amended from time to time.

All terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable law (as defined above), rules, regulations, bye-laws, as the case may be including any statutory modification or re-enactment thereof from time to time.

References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.

In this Scheme, where the context so requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

## 1.2 SHARE CAPITAL

- a. **TRANSFEROR COMPANY-** The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2018 was as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 2,11,00,000 Equity Shares of Rs. 10/- each.         | 21,10,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 42,40,313 Equity Shares of Rs. 10/- each.           | 4,24,03,130     |

The authorized, issued, subscribed and paid-up share capital of the Transferor Company is same as above on the date of Board Meeting i.e. December 21, 2018, approving the Scheme of Merger. The Transferor Company is a 100% subsidiary of Transferee Company.

- b. **TRANSFEE COMPANY-** The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2018 was as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 1,50,00,000 Equity Shares of Rs. 10/- each.         | 15,00,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 1,36,31,541 Equity Shares of Rs. 10/- each.         | 13,63,15,410    |

Subsequent to the March 31, 2018 and with effect from June 08, 2018, the Transferee Company has sub-divided face value of its Equity Shares from Rs. 10/- per Equity Share to Rs. 2/- per Equity Share. Therefore, the authorized, subscribed and paid-up share capital of the Transferee Company as on date is as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 7,50,00,000 Equity Shares of Rs. 2/- each.          | 15,00,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 6,81,57,705 Equity Shares of Rs. 2/- each.          | 13,63,15,410    |

## **PART-II**

### **TRANSFER AND VESTING OF UNDERTAKINGS OF THE TRANSFEROR COMPANY INTO**

#### **THE TRANSFeree COMPANY**

- 2.1** Upon this Scheme becoming effective and with effect from the Appointed Date, the entire business and the undertakings of the Transferor Company including without limitation, all the movable and immovable properties & assets, liabilities, losses, duties, obligations, including those arising on account of Taxation Laws and other allied laws, reserve & surplus including Securities Premium Account shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company pursuant to the sanction of this Scheme by the Hon'ble NCLT and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the Income Tax Act, 1961, as a going concern, without any further act, instrument, deed, matter or thing to be made, done or executed.
- 2.2** With effect from the commencement of business on the Appointed Date and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, entire undertaking along with business and all properties whether moveable or immovable or tangible or intangible wherever situated and also all other assets, capital, work-in-progress, current assets, movable assets, all investments in India or out of India, if any, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favor of or enjoyed by the Transferor Company, including but without being limited to, all licenses viz. business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, know – how, service marks, trade secrets, brands, copy rights, patents, quota rights, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures subsidies, capital subsidies, concessions, exemptions, Government Incentives, Sales Tax/ Goods and Services Tax exemptions, approvals, clearances, environmental clearances, occupancy certificate, approval from fire department, approval for water, electricity and sewerage, approval from irrigation department, approval from underground water authority, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, computer software/licenses, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as “the said assets”) shall, without any further act, instrument or deed and without payment of any duty or other charges, be transferred to and vested in the Transferee Company as a going concern pursuant to the applicable provisions of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company.
- 2.3** Without prejudice to the generality of Clauses 2.1 and 2.2 above, upon occurrence of the Effective Date, the Transferor Company shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date.
- 2.4 TRANSFER OF ASSETS**
- 2.4.1** All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.
- 2.4.2** Without prejudice to the provisions of Clause 2.4.1, it is expressly provided that in respect of such of the said assets and properties of the undertaking as are movable in nature or incorporeal property or are otherwise capable of being transferred by physical delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the Hon'ble NCLT or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the integral part of the Undertaking and property of the Transferee Company accordingly.
- 2.4.3** In respect of movables other than those dealt with in Clause 2.4.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.
- 2.4.4** All The assets and properties as on the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties, which are/if any, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.
- 2.4.5** For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, quotas, liberties, special status, certificates, clearances, authorities, powers of attorney, tax deferrals and all other benefits and privileges enjoyed or conferred upon or held or availed of by the



Transferor Company or issued to or executed in favor of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

**2.4.6** For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, if any, including all the leases, of the Transferor Company shall without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.

## **2.5 TRANSFER OF LIABILITIES**

**2.5.1** In accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Upon coming into effect of this Scheme, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

**2.5.2** All debts, liabilities, guarantees, indemnities, contingent liabilities, disputed liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statements of the Transferor Company and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company by virtue of the Scheme, so as to become as and from the Appointed Date, the debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of the Transferee Company.

**2.5.3** Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

**2.5.4** Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

**2.5.5** To the extent there are inter-corporate loans, liabilities, duties, debts and claims (including deferred tax liabilities and contingent liabilities) if any, due or which may hereafter become due, between the Transferor Company and the Transferee Company or vice versa, the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such loans, liabilities, duties, debts and claims (including receivables), due or which may hereafter become due, between the Transferee Company on the one hand and the Transferor Company on the other hand.

**2.5.6** Any loans, advances and other facilities sanctioned to the Transferor Company by their bankers and financial institutions from the Appointed Date till the Effective Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.



## **2.6 ENCUMBRANCES**

- 2.6.1** The transfer and vesting of the Undertaking to and in Transferee Company shall be subject to the existing securities, mortgages, charges, hypothecation, encumbrances or liens, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Company.
- 2.6.2** All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.

## **2.7 TREATMENT OF TAXES**

- 2.7.1** Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax, Goods and Services Tax, Luxury Tax, Stamp Laws (hereinafter in this Clause referred to as "Tax Laws") or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including Advance Tax and tax deducted at source) as on the date immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.
- 2.7.2** All taxes including Income Tax, Wealth Tax, Minimum Alternate Tax, Service Tax, Sales Tax, Goods and Services Tax and all other Statutory Taxes, if any, paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date shall be on account of the Transferee Company, and in so far as it relates to the payment of taxes (including without limitation Income Tax, Wealth Tax, Sales Tax, Excise Duty, Customs Duty, Service Tax, Luxury Tax, Value Added Tax, Goods and Services Tax etc.), whether by way of deduction at source, Advance Tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 2.7.3** Any refunds, input credits, benefits, incentives, grants, subsidies etc. under the Income Tax Act, 1961, the Goods and Services Tax Act, 2017 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 2.7.4** All taxes, benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales Tax, Service Tax, Goods and Services Tax etc. or any tax deduction/ collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to NCLT. The benefit of all taxes paid including Minimum Alternate Tax under Income Tax Act, 1961 unabsorbed depreciation, carry forward of losses as well as set-off of losses thereof shall be available to the Transferee Company as would have been available to the Transferor Company upon the sanction of the scheme by the NCLT.
- 2.7.5** Without prejudice to the generality of the above, all benefits including under the Income Tax, Sales Tax, Excise Duty, Customs Duty, Service Tax, Luxury Tax, Value Added Tax, Goods and Services Tax etc., to which the respective Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 2.7.6** All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, such tax proceedings/appeals shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, as the case may be. These proceedings/appeals shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation (i.e. Merger by way of Absorption) of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 2.7.7** Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant Labour Laws, Income Tax,

Sales Tax including Value Added Tax, Service Tax, Goods and Services Tax, Wealth tax and other applicable tax laws, and to claim refunds and/ or credits for dues and/ or taxes paid and/ or depreciation benefits, if any, as may be required consequent to implementation of this Scheme.

### **3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 3.1** Subject to the provisions of this Scheme, all contracts, deeds, bonds, schemes, agreements, arrangements and other instruments of whatsoever nature (including all tenancies, leases, licenses and other assurances in favor of any of the Transferor Company or powers or authorities granted by or to any of the Transferor Company), to which the Transferor Company is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favor of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 3.2** Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the secured creditors of the Transferor Company or in favor of any other party to any contract or arrangement to which any of the Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement and carry out all such formalities or compliance referred to above on the part/behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3.3** Any inter-se contracts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Transaction(s), if any, between the Transferor Company and Transferee Company after the Appointed Date and until the Effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.

### **4. LEGAL PROCEEDINGS AND OTHER RESOLUTIONS**

- 4.1** All legal proceedings of whatsoever nature by or against the Transferor Company pending at the Effective Date, shall not be abated or discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, and enforced by or against the Transferor Company as if the Scheme had not been made.
- 4.2** The resolutions, including resolutions passed under Section 180(1)(a), Section 180(1)(c) and Section 186 of the Act, if any, of the Transferor Company, which are valid and subsisting on the effective date, shall, *mutatis mutandis*, continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and where such resolutions have any upper monetary or other limit(s) being fixed under the provisions of the Act or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 4.3** Upon the Scheme becoming effective, all the Directors of the Transferor Company shall cease to hold office as Directors thereof with effect from the Effective date. However, on the Scheme becoming effective, and having regard to the expertise and their involvement in the affairs of the Transferor Company and for ensuring smooth transition and integration of the business of Transferor Company, both the Executive Directors of the Transferor Company shall be inducted as employees of the Transferee Company, on same amount of the remuneration payable to each of them as on 31<sup>st</sup> March, 2019 for the remaining period of their tenure, and thereafter the said remuneration will be revised as may be considered appropriate by the Board from time to time and it is clarified herein that approval of the Scheme by the Audit Committee, Board of Directors and Shareholders of the Transferee Company shall be deemed to be the approval under Section 188(1)(f) of the Act and thus, no separate resolution or approval under the Act shall be required to pass for their appointment and terms of appointment in the Transferee Company.

### **5. DISSOLUTION OF TRANSFEROR COMPANY**

On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up.

### **6. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANY**

- 6.1** All the employees of the Transferor Company who are in its permanent employment, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the permanent employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions as to employment and remuneration not less favorable than those subsisting in the concerned Transferor Company on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall be continued to be governed by their existing agreements and terms and conditions of their employment. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the

Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).

- 6.2 Provident Fund, Gratuity Fund, Superannuation Fund and any other Special Fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming effective, the name of Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. With effect from the date of filing of this Scheme with the Hon'ble NCLT and till the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of their respective employees, except with the written consent of the Transferee Company.

## **7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFEEE COMPANY**

7.1 With effect from the Appointed Date until the Effective Date, the Transferor Company:

7.1.1 Shall possess of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.

7.1.2 Shall carry on and shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges, expenses or losses (including taxes) arising or incurred or suffered by the Transferor Company shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or losses (including taxes), as the case may be, of the Transferee Company.

7.2 Any corporate action by Transferor Company on or after the Appointed Date until the Effective Date shall, upon the Scheme becoming effective, be treated as having been taken by the Transferee Company without any further application, act or deed etc. and shall be dealt with accordingly.

7.3 Till such times, the names of the Bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary.

7.4 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.5 Notwithstanding anything contained in sub-clause '7.1' to '7.4' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses till the Merger is effective.

## **8. CONSIDERATION**

8.1 Upon the Scheme being sanctioned by the Hon'ble Tribunal, there will be no issue and allotment of any shares by the Transferee Company in consideration of Merger of the Transferor Company with the Transferee Company as the Transferor Company is wholly owned subsidiary Company of the Transferee Company and the entire paid up share capital of the Transferor Company is held by Transferee Company along with Nominees of Transferee Company. All equity shares held by the Transferee Company and its Nominee(s) in the Transferor Company shall be cancelled and extinguished as on the Appointed Date.

8.2 Upon the scheme becoming effective, entire issued, subscribed and paid-up equity share capital of Transferor Company shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled and no new shares of the Transferee Company will be issued or allotted with respect to the equity shares held by the Transferee Company and its nominee in the Transferor Company.

8.3 The Transferee Company undertakes not to transfer any of the shares held by it of the Transferor Company till the Merger is completed.

8.4 The Transferor Company undertakes not to increase its share capital by issuing shares to any entity other than Transferee Company till Merger is completed.

8.5 Upon the scheme becoming effective, share certificates and/ or the shares in electronic form representing the shares held by the Transferee Company (including its Nominees) in the Transferor Company shall be cancelled without any further application, act, instrument or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.

## **9. UPON THIS SCHEME BECOMING EFFECTIVE**

- 9.1** Entire issued share capital of the Transferor Company both in electronic form and in the physical form, as the case may be, shall automatically stand cancelled.
- 9.2** The authorized share capital of the Transferor Company shall get merged to form new authorized share capital of the Transferee Company and thereafter, the authorized share capital of the Transferee Company shall stand increased to that extent without any further act, deed and the fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.
- 9.3** Accordingly, the Capital Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed be replaced by the following Clause:

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

Further, Article 4 (a) of the Articles of Association of the Transferee Company shall, without any further act or deed be replaced by the following:

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

- 9.4** It is clarified that the consent and approval of the Scheme by the shareholders and/ or creditors of the Transferee Company shall be deemed to be sufficient for the purpose of effecting the Alteration of the Memorandum of Association and Articles of Association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and no further resolution(s) under the applicable provisions of the Act, would be required to be separately passed, nor any registration fee, stamp duty, etc. shall be payable by the Transferee Company. The Transferee Company shall file amended copy of Memorandum & Articles of Association with the concerned Registrar of Companies.
- 9.5** On this Scheme becoming effective, the shareholders and creditors, wherever applicable, if any, of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme and no separate resolution under the Act shall be required to pass.

## **10. ACCOUNTING TREATMENT**

- 10.1** Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Merger shall be accounted in the books of accounts of the Transferee Company in accordance with applicable Indian Accounting Standard (Ind-AS) as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India as applicable on Effective Date.
- 10.2** It is further clarified that the excess of the Assets and Liabilities transferred to the Transferee Company would be credited to the ‘Capital Reserve Account’ and the shortfall of the Assets and Liabilities transferred to the Transferee Company would be debited to General Reserve, if any, of the Transferee Company.
- 10.3** Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the Merger by way of Absorption.
- 10.4** If there is any difference in accounting policies of the Transferor Company and that of the Transferee Company, the impact of the same till the Appointed date will be quantified and same shall be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.

## **11. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

- 11.1** Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company.
- 11.2** If any such resolutions have any monetary or other limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, imposed under the like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

### **PART-III**

#### **12. CONDITIONALITY OF SCHEME AND OPERATIVE/ EFFECTIVE DATE OF THE SCHEME**

**12.1** This Scheme is and shall be conditional upon and subject to:

- a. Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;
- b. The scheme being approved by the requisite majorities in number and value of such classes of members (as may be applicable) and/or creditors (wherever applicable), of the Transferor Company and the Transferee Company as may directed by Hon'ble NCLT.
- c. The approval or sanction of the Hon'ble NCLT under Sections 230 to 232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.
- d. The certified/ authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and the Transferee Company with the Registrar of Companies.
- e. The requisite approvals, sanctions, permissions or consents of any Governmental Authority or any statutory or regulatory authorities as may be required by law for the implementation of Scheme.

#### **13. APPROVAL OF SEBI AND STOCK EXCHANGES**

In view of the SEBI Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated February 15, 2017 and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of Merger of wholly owned subsidiaries with their Parent Company shall be filed with the Stock Exchanges for the purpose of disclosures and stock exchange shall disseminate the scheme documents on their website. The Transferee Company undertakes to comply with requirement of aforesaid and all other applicable SEBI Notification/ Circular.

#### **14. APPLICATION TO HON'BLE NCLT**

The Transferor Company and the Transferee Company shall make application under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act to the Hon'ble NCLT where the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme and for the dissolution of the Transferor Company without winding-up and other concerned matters.

#### **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 15.1** The Transferor Company and the Transferee Company through their respective Board of Directors or any Director/Executives or any committee authorized in that behalf (hereinafter referred to as the "Delegate") may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble NCLT and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- 15.2** In order to give effect to this Scheme or to any modification(s) or amendments or addition(s) thereof, the Board of Directors/ delegates of the Transferee Company may give and is authorized to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.

#### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of this Scheme failing to take effect, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or employees or any other person. Each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

#### **17. COST CHARGES AND EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation (i.e. Merger by way of Absorption) of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company only. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates, other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc.

#### **18. SEVERABILITY**

If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts/provisions of the scheme.

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**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LUMAX DK AUTO INDUSTRIES LIMITED AT ITS MEETING HELD ON DECEMBER 21, 2018 EXPLAINING THE EFFECT OF THE SCHEME OF SCHEME OF MERGER (BY WAY ABSORPTION) ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

- 1.1. The Board of Directors ('Board') of Lumax DK Auto Industries Limited ('Transferor Company') at its meeting held on December 21, 2018 has approved the Scheme of Merger (By way absorption) of Lumax Auto Technologies Limited ('Transferee Company') and their respective creditors and shareholders ('Scheme').
- 1.2. Under the Scheme, it is proposed to merged 'Transferor Company with Transferee Company.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation (This to be deleted as it is not applicable). This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. That the draft Scheme duly initialed by the Chairman of Transferor Company for the purpose of identification was placed before the Board and the Scheme was deliberated in the meeting held on December 21, 2018.

**2. VALUATION REPORT**

- 2.1. Pursuant to the Clause 8.1 of Scheme, there will be no issuance of shares from the Transferee Company to the shareholders of 'Transferor Company' as Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor



Company and there will be no valuation exercise required to be undertaken by the Restructured Companies to determine the share exchange ratio and thus, no valuation was required to be prepared regarding the same.

### **3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEROR COMPANY**

#### **3.1. Equity Shareholders (Promoter and Non-Promoter):**

There will be no adverse effect of the Scheme on the equity shareholders (the only class of shareholders), promoters and non-promoter shareholders of the Transferor Company.

Since Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor Company, no shares shall be issued upon merger of 'Transferor Company with Transferee Company and upon the scheme becoming effective, there will be no change in shareholding pattern of Transferee Company.

#### **3.2. Key Managerial Personnel**

The Scheme would not have any effect on the KMPs of the Transferor Company.

**FOR LUMAX DK AUTO INDUSTRIES LIMITED**

**Sd/-**

**DHANESH KUMAR JAIN  
CHAIRMAN OF THE MEETING**



**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LUMAX AUTO TECHNOLOGIES LIMITED AT ITS MEETING HELD ON DECEMBER 21, 2018 EXPLAINING THE EFFECT OF THE SCHEME OF SCHEME OF MERGER (BY WAY ABSORPTION) ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

- 1.1. The Board of Directors ('Board') of Lumax Auto Technologies Limited ('Transferee Company') at its meeting held on December 21, 2018 has approved the Scheme of Merger (By way absorption) of Lumax DK Auto Industries Limited ('Transferor Company') and their respective creditors and shareholders ('Scheme').
- 1.2. Under the Scheme, it is proposed to merged 'Transferor Company with Transferee Company.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation (This to be deleted as it is not applicable). This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. That the draft Scheme duly initialed by the Chairman of Transferee Company for the purpose of identification was placed before the Board and the Scheme was deliberated in the meeting held on December 21, 2018.

**2. VALUATION REPORT**

- 2.1. Pursuant to the Clause 8.1 of Scheme, there will be no issuance of shares from the Transferee Company to the shareholders of 'Transferor Company' as Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor

Company and there will be no valuation exercise required to be undertaken by the Restructured Companies to determine the share exchange ratio and thus, no valuation was required to be prepared regarding the same.

### **3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEREE COMPANY**

#### **3.1. Equity Shareholders (Promoter and Non-Promoter):**

There will be no adverse effect of the Scheme on the equity shareholders (the only class of shareholders), promoters and non-promoter shareholders of the Transferee Company.

Since Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor Company, no shares shall be issued upon merger of 'Transferor Company with Transferee Company and upon the scheme becoming effective, there will be no change in shareholding pattern of Transferee Company.

#### **3.2. Key Managerial Personnel**

The Scheme would not have any effect on the KMPs of the Transferee Company.

**FOR LUMAX AUTO TECHNOLOGIES LIMITED**

**Sd/-**

**DHANESH KUMAR JAIN**

**CHAIRMAN OF THE MEETING**

**Supplementary unaudited Accounting Statement of Lumax DK Auto Industries Ltd. ("Transferor Company") as at December 31, 2018**

**Condensed Balance Sheet as at December 31, 2018**

*(Amounts in INR lacs, unless otherwise stated)*

| Particulars  | Notes          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------|----------------------------|-------------------------|
| <b>ASSETS</b>  |                |                            |                         |
| <b>I. Non-current assets</b>                         |                |                            |                         |
| Property, plant and equipment                        | 3              | 7,366.04                   | 7,634.09                |
| Capital work in progress                             | 3              | 80.17                      | 23.09                   |
| Investment property                                  | 4              | 1,887.48                   | 1,930.74                |
| Intangible assets                                    | 5              | 19.39                      | 29.63                   |
| Financial assets                                     |                |                            |                         |
| - Investments  | 6              | 544.61                     | 533.34                  |
| - Other financial assets                             | 8              | 1,081.80                   | 86.10                   |
| Income tax asset(net)                                | 9              | 13.61                      | 296.54                  |
| Other non- current assets                            | 11             | 139.75                     | 75.93                   |
|  | <b>A</b>       | <b>11,132.85</b>           | 10,609.46               |
| <b>II. Current assets</b>                            |                |                            |                         |
| Inventories  | 12             | 1,174.01                   | 846.96                  |
| Financial assets                                     |                |                            |                         |
| - Investment   | 6              | 1,668.23                   | 1,477.10                |
| - Loans  | 7              | 15.08                      | 7.60                    |
| - Trade receivables                                  | 13             | 7,815.84                   | 8,206.77                |
| - Cash and cash equivalents                          | 14             | 148.46                     | 603.08                  |
| - Other bank balances                                | 15             | 1,305.15                   | 993.90                  |
| - Others financial assets                            | 8              | 51.61                      | 32.25                   |
| Assets classified as held for disposal               | 10             | -                          | 2.13                    |
| Other current assets                                 | 11             | 192.81                     | 104.13                  |
|  | <b>B</b>       | <b>12,371.19</b>           | 12,273.92               |
| <b>Total Assets</b>                                  | <b>(A+B)</b>   | <b>23,504.04</b>           | 22,883.38               |
| <b>EQUITY AND LIABILITIES</b>                        |                |                            |                         |
| <b>I. Equity</b>                                     |                |                            |                         |
| Equity share capital                                 | 16             | 424.03                     | 424.03                  |
| Other equity   | 17             | 16,736.04                  | 15,822.69               |
| <b>Total equity</b>                                  | <b>A</b>       | <b>17,160.07</b>           | 16,246.72               |
| <b>Liabilities</b>                                   |                |                            |                         |
| <b>II. Non- current liabilities</b>                  |                |                            |                         |
| Provisions   | 18             | 260.42                     | 251.81                  |
| Deferred tax liabilities (net)                       | 19             | 805.56                     | 792.61                  |
|  | <b>B</b>       | <b>1,065.98</b>            | 1,044.42                |
| <b>III. Current liabilities</b>                      |                |                            |                         |
| Financial liabilities                                |                |                            |                         |
| - Trade payables                                     | 20             |                            |                         |
| - Payables to Micro and Small Enterprises            |                | -                          | -                       |
| - Payables to other than Micro and Small Enterprises |                | 4,414.92                   | 4,932.94                |
| - Other financial liabilities                        | 21             | 467.25                     | 457.37                  |
| Provisions   | 18             | 43.78                      | 43.78                   |
| Other current liabilities                            | 22             | 284.53                     | 158.15                  |
| Current Tax Liabilities (Net)                        | 9              | 67.51                      | -                       |
|  | <b>C</b>       | <b>5,277.99</b>            | 5,592.24                |
| <b>Total equity and liabilities</b>                  | <b>(A+B+C)</b> | <b>23,504.04</b>           | 22,883.38               |

The accompanying notes form an integral part of these financial statements.

**For Lumax DK Auto Industries Ltd.**

sd/-  
**Pravin Jain**  
DGM-Finance

**Supplementary unaudited Accounting Statement of Lumax DK Auto Industries Ltd. ("Transferrer Company") as at  
December 31, 2018**  
**Condensed Statement of Profit and loss for period ended December 31, 2018**  
*(Amounts in INR lacs, unless otherwise stated)*

| Particulars |   | Notes | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|-------------|---|-------|---|--------------------------------------|
| <b>I.</b>   | Revenue from operations   | 23    | <b>24,106.64</b>                          | 34,991.07                            |
| <b>II.</b>  | Other income  | 24    | <b>976.01</b>                             | 954.06                               |
| <b>III</b>  | <b>Total income</b>   |       | <b>25,082.65</b>                          | 35,945.13                            |
| <b>IV</b>   | <b>Expenses</b>   |       |   |                                      |
|             | Cost of raw material and components consumed  | 25    | <b>17,039.71</b>                          | 26,016.35                            |
|             | Cost of moulds consumed   | 25    | <b>34.63</b>                              | 260.40                               |
|             | (Increase)/Decrease in inventories of finished goods and work-in-progress                                   | 26    | <b>(127.01)</b>                           | (7.70)                               |
|             | Excise duty on sale of goods  |       | -   | 1,021.01                             |
|             | Employee benefits expense   | 27    | <b>2,298.00</b>                           | 2,600.62                             |
|             | Finance costs   | 28    | -   | -                                    |
|             | Depreciation and amortization expense   | 29    | <b>612.90</b>                             | 852.64                               |
|             | Other expenses  | 30    | <b>2,281.96</b>                           | 2,946.12                             |
| <b>V</b>    | <b>Total expenses</b>   |       | <b>22,140.19</b>                          | <b>33,689.44</b>                     |
| <b>VI</b>   | <b>Profit before exceptional items and tax (III-IV)</b>   |       | <b>2,942.46</b>                           | 2,255.69                             |
|             | Exceptional Items   |       | -   | -                                    |
| <b>VII</b>  | <b>Profit before tax</b>  |       | <b>2,942.46</b>                           | 2,255.69                             |
| <b>VIII</b> | <b>Tax expense:</b>   | 31    |   |                                      |
|             | Current tax   |       | <b>720.04</b>                             | 479.38                               |
|             | MAT Credit (Entitlement)/Utilised   |       | <b>284.52</b>                             | 251.03                               |
|             | Adjustment of tax relating to earlier years   |       | <b>1.64</b>                               | (6.50)                               |
|             | Deferred tax  |       | <b>8.61</b>                               | 58.42                                |
|             | <b>Total tax expense</b>  |       | <b>1,014.81</b>                           | 782.33                               |
| <b>IX</b>   | <b>Profit for the year (VII-VIII)</b>   |       | <b>1,927.65</b>                           | 1,473.36                             |
| <b>X</b>    | <b>OTHER COMPREHENSIVE INCOME</b>   |       |   |                                      |
|             | <b>Items that will not be reclassified to statement of profit and loss</b>                                  |       |   |                                      |
|             | Re-measurement gains/ (losses) on defined benefit plans   |       | <b>1.15</b>                               | 1.39                                 |
|             | Income tax effect   |       | <b>(0.40)</b>                             | (0.49)                               |
|             | Revaluation of Investment in Equity   |       | <b>11.27</b>                              | 14.84                                |
|             | Income tax effect   |       | <b>(3.94)</b>                             | (5.19)                               |
|             | <b>Net comprehensive income not to be reclassified to statement of profit or loss in subsequent periods</b> |       | <b>8.08</b>                               | 10.55                                |
| <b>XI</b>   | <b>Other comprehensive income for the year, net of tax</b>  |       | <b>8.08</b>                               | 10.55                                |
| <b>XII</b>  | <b>Total comprehensive income of the year, net of tax</b>   |       | <b>1,935.73</b>                           | 1,483.91                             |
|             | <b>Earnings per share:</b>  |       |   |                                      |
|             | 1) Basic  |       | <b>45.46</b>                              | 34.75                                |
|             | 2) Diluted  |       | <b>45.46</b>                              | 34.75                                |

The accompanying notes form an integral part of these financial statements.

**For Lumax DK Auto Industries Ltd.**

sd/-  
**Pravin Jain**  
DGM-Finance

**Lumax DK Auto Industries Ltd**  
**Statement of Changes in equity for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

|   | Share capital*<br>(1) | Other Equity      |                |                 |                                   | Total equity<br>(1+2) |
|---|-----------------------|-------------------|----------------|-----------------|-----------------------------------|-----------------------|
|   |                       | Retained earnings | FVTOCI Reserve | General reserve | Total Reserves and surplus<br>(2) |                       |
| <b>As at April 01, 2017</b>                                 | 424.03                | 14,728.80         | 142.11         | 233.40          | 15,104.31                         | 15,528.34             |
| Add: Profit for the year                                    | -                     | 1,473.36          | -              | -               | 1,473.36                          | 1,473.36              |
| Add: Other comprehensive income                             | -                     | 0.90              | 9.65           | -               | 10.55                             | 10.55                 |
| Less: Transferred from Retained Earnings to General Reserve | -                     | -172.18           | -              | 172.18          | -                                 | -                     |
| Less: Dividend declared & paid                              | -                     | -636.05           | -              | -               | -636.05                           | -636.05               |
| Less: Tax on Dividend                                       | -                     | -129.48           | -              | -               | -129.48                           | -129.48               |
| <b>As at 31 March, 2018</b>                                 | 424.03                | 15,265.35         | 151.76         | 405.58          | 15,822.69                         | 16,246.72             |
| <b>As at April 01, 2018</b>                                 | 424.03                | 15,265.35         | 151.76         | 405.58          | 15,822.69                         | 16,246.72             |
| Add: Profit for the year                                    | -                     | 1,927.65          | -              | -               | 1,927.65                          | 1,927.65              |
| Add: Other comprehensive income                             | -                     | 0.75              | 7.33           | -               | 8.08                              | 8.08                  |
| Less: Transferred from Retained Earnings to General Reserve | -                     | -147.00           | -              | 147.00          | -                                 | -                     |
| Less: Dividend declared & paid                              | -                     | -848.06           | -              | -               | -848.06                           | -848.06               |
| Less: Tax on Dividend                                       | -                     | -174.32           | -              | -               | -174.32                           | -174.32               |
| <b>As at December 31, 2018</b>                              | 424.03                | 16,024.37         | 159.09         | 552.58          | 16,736.04                         | 17,160.07             |

\* 42,40,313 equity shares of Rs. 10/- each fully paid up

The accompanying notes form an integral part of these financial statements

**Lumax DK Auto Industries Ltd**  
**Statement of Cash Flows for the period ended 31 December 2018**

*(Amounts in INR lacs, unless otherwise stated)*

| <b>Particulars</b>   | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| A Net cash flows from operating activities                 | <b>1,031.44</b>                                   | 2,149.88                             |
| B Net cashfrom / ( used) in investing activities           | <b>(463.68)</b>                                   | (1,140.34)                           |
| C Net cash used in financing activities:                   | <b>(1,022.38)</b>                                 | (765.53)                             |
| <b>Net increase/(decreas) in cash and cash equivalents</b> | <b>(454.62)</b>                                   | 244.01                               |
| Cash and cash equivalents at the beginning of the year     | <b>603.08</b>                                     | 359.07                               |
| <b>Cash and cash equivalents at year end</b>               | <b>148.46</b>                                     | 603.08                               |

The accompanying notes form an integral part of these financial statements

**1. CORPORATE INFORMATION**

Lumax DK Auto Industries Limited is a Public Limited Company in India and incorporated under the Companies Act, 1956. The Company is founded in the year 1997 and is a part of the D.K. Jain Group of companies engaged in business of manufacturing of automotive parts.

**2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The condensed financial statements as at 31 December 2018 have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Company management had previously issued its Annual Audited Financial Statements for the year ended 31 March 2018 on 28 May 2018 that were prepared in accordance with the Indian Accounting Standard (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under the Section of Companies Act 2013 and other relevant provisions of the Act.

Information as at 31 December 2018 and for the period then ended is proposed to be sent to the National Company Law Tribunal (NCLT), creditors shareholders and other statutory authorities, in accordance with the requirements of the Companies Act 2013.

The financial results of the company for the nine months period ended 31 December 2018 were reviewed by statutory auditors of the Company and an unqualified Limited Review Report was given thereon.

These compiled information are not a complete set of financial statements prepared as per the requirements of the companies Act 2013 or the requirements of the Ind AS 24 "Interim Financial Reporting".

All the amounts included in the financial statements are reported in lakhs of Indian Rupees and are rounded to the nearest lakh, except per share data and unless stated otherwise.

**2.1 Significant accounting policies, accounting estimates, assumptions and judgements**

The accounting policies, accounting estimates, assumptions and judgements adopted in the compilation of these financial information are consistent with those followed in the preparation of the Company's latest Annual financial statements.



**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018***(Amounts in INR lacs, unless otherwise stated)***3 Property, plant and equipment and capital work in progress****a) Property, plant and equipment (net)**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| Freehold land            | 274.07                     | 274.07                  |
| Leasehold Land           | 378.72                     | 382.25                  |
| Building                 | 1,710.03                   | 1,768.32                |
| Buildings (Non- Factory) | 116.44                     | 115.32                  |
| Plant and Machinery      | 4,711.30                   | 4,899.15                |
| Furniture and Fixtures   | 25.07                      | 26.74                   |
| Vehicles                 | 99.22                      | 105.72                  |
| Office Equipments        | 36.31                      | 45.28                   |
| Computers                | 14.88                      | 17.24                   |
| <b>Total</b>             | <b>7,366.04</b>            | 7,634.09                |

**b) Capital work in progress**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| Capital work in progress | 80.17                      | 23.09                   |
| <b>Total</b>             | <b>80.17</b>               | 23.09                   |

Lumax DK Auto Industries Ltd  
Notes to financial statements for the period ended December 31, 2018

(Amounts in INR lacs, unless otherwise stated)

3.1 Property, Plant and Equipment

|                                     | Freehold land | Leasehold Land | Building |                         | Plant and Machinery | Furniture and fixtures | Office equipments | Vehicles | Computers | Total     |
|-------------------------------------|---------------|----------------|----------|-------------------------|---------------------|------------------------|-------------------|----------|-----------|-----------|
|                                     |               |                | Building | Buildings (Non-Factory) |                     |                        |                   |          |           |           |
| <b>Cost or valuation</b>            |               |                |          |                         |                     |                        |                   |          |           |           |
| As at April 01, 2017                | 288.41        | 421.90         | 2,390.53 | 136.86                  | 8,522.04            | 65.54                  | 133.77            | 177.09   | 128.90    | 12,265.04 |
| Additions                           | -             | -              | 23.89    | -                       | 888.13              | 4.01                   | 11.28             | -        | 6.64      | 933.95    |
| Disposals                           | -14.34        | -              | -        | -                       | -236.46             | -                      | -                 | -0.11    | -0.80     | -251.71   |
| As at March 31, 2018                | 274.07        | 421.90         | 2,414.42 | 136.86                  | 9,173.71            | 69.55                  | 145.05            | 176.98   | 134.74    | 12,947.28 |
| As at April 01, 2018                | 274.07        | 421.90         | 2,414.42 | 136.86                  | 9,173.71            | 69.55                  | 145.05            | 176.98   | 134.74    | 12,947.28 |
| Additions                           | -             | -              | 2.66     | 2.83                    | 258.98              | 1.74                   | 1.80              | 15.57    | 6.55      | 290.13    |
| Disposals                           | -             | -              | -        | -                       | -                   | -                      | -                 | -6.00    | -         | -6.00     |
| Fixed asset held for sale           | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| As at December 31, 2018             | 274.07        | 421.90         | 2,417.08 | 139.69                  | 9,432.69            | 71.29                  | 146.85            | 186.55   | 141.29    | 13,231.41 |
| <b>Depreciation and Impairments</b> |               |                |          |                         |                     |                        |                   |          |           |           |
| As at April 01, 2017                | -             | 34.97          | 565.62   | 19.30                   | 3,740.45            | 38.23                  | 84.90             | 42.65    | 102.89    | 4,629.01  |
| Additions                           | -             | 4.68           | 80.48    | 2.24                    | 629.24              | 4.58                   | 14.87             | 28.61    | 15.20     | 779.90    |
| Disposals                           | -             | -              | -        | -                       | -95.13              | -                      | -                 | -        | -0.59     | -95.72    |
| As at March 31, 2018                | -             | 39.65          | 646.10   | 21.54                   | 4,274.56            | 42.81                  | 99.77             | 71.26    | 117.50    | 5,313.19  |
| As at April 01, 2018                | -             | 39.65          | 646.10   | 21.54                   | 4,274.56            | 42.81                  | 99.77             | 71.26    | 117.50    | 5,313.19  |
| Depreciation Charge for the period  | -             | 3.53           | 60.95    | 1.71                    | 446.83              | 3.41                   | 10.77             | 21.95    | 8.91      | 558.06    |
| Disposal                            | -             | -              | -        | -                       | -                   | -                      | -                 | -5.88    | -         | -5.88     |
| Fixed asset held for sale           | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| Impairment of assets                | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| As at December 31, 2018             | -             | 43.18          | 707.05   | 23.25                   | 4,721.39            | 46.22                  | 110.54            | 87.33    | 126.41    | 5,865.37  |
| <b>Net Block</b>                    |               |                |          |                         |                     |                        |                   |          |           |           |
| As at March 31, 2018                | 274.07        | 382.25         | 1,768.32 | 115.32                  | 4,899.15            | 26.74                  | 45.28             | 105.72   | 17.24     | 7,634.09  |
| As at December 31, 2018             | 274.07        | 378.72         | 1,710.03 | 116.44                  | 4,711.30            | 25.07                  | 36.31             | 99.22    | 14.88     | 7,366.04  |

## 4 Investment Property

|                                     | Freehold Lands | Non Factory Buildings | Total           |
|-------------------------------------|----------------|-----------------------|-----------------|
| <b>Gross carrying amount</b>        |                |                       |                 |
| As at April 01, 2017                | 609.08         | 1,694.95              | 2,304.03        |
| Additions                           | -              | -                     | -               |
| Deductions                          | (14.46)        | -                     | (14.46)         |
| As at 31 March, 2018                | 594.62         | 1,694.95              | 2,289.57        |
| As at April 01, 2018                | 594.62         | 1,694.95              | 2,289.57        |
| Additions                           | -              | -                     | -               |
| Deductions                          | -              | -                     | -               |
| <b>As at December 31, 2018</b>      | <b>594.62</b>  | <b>1,694.95</b>       | <b>2,289.57</b> |
| <b>Depreciation and Impairments</b> |                |                       |                 |
| As at April 01, 2017                | -              | 301.42                | 301.42          |
| Depreciation Charge for the year    | -              | 57.41                 | 57.41           |
| As at 31 March, 2018                | -              | <b>358.83</b>         | <b>358.83</b>   |
| As at April 01, 2018                | -              | 358.83                | 358.83          |
| Depreciation Charge for the year    | -              | 43.26                 | 43.26           |
| Deductions                          | -              | -                     | -               |
| <b>As at December 31, 2018</b>      | <b>-</b>       | <b>402.09</b>         | <b>402.09</b>   |
| <b>Net Block</b>                    |                |                       |                 |
| As at 31 March, 2018                | 594.62         | 1,336.12              | 1,930.74        |
| <b>As at December 31, 2018</b>      | <b>594.62</b>  | <b>1,292.86</b>       | <b>1,887.48</b> |

## i) Amount recognised in profit or loss for Investment Properties

| Particulars   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| Rental Income   | <b>304.52</b>              | 371.35                  |
| Direct operating expenses from property that generated rental Income        | -                          | (8.67)                  |
| Direct operating expenses from property that did not generate rental Income | -                          | -                       |
| <b>Profit from Investment property before depreciation</b>                  | <b>304.52</b>              | 362.68                  |
| Depreciation  | <b>(43.26)</b>             | (57.41)                 |
| <b>Profit from Investment property</b>                                      | <b>261.26</b>              | 305.27                  |

## ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property

**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**  
**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**

*(Amounts in INR lacs, unless otherwise stated)*

**5 Intangible assets**

**a) Details of intangible assets:**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| <b>Intangible assets</b> |                            |                         |
| - Computer software      | 19.39                      | 29.63                   |
| <b>Total</b>             | <b>19.39</b>               | 29.63                   |

**b) Disclosures regarding gross block of intangible assets, accumulated amortisation and net block are as given below:**

|                                       | Computer softwares | Total         |
|---------------------------------------|--------------------|---------------|
| <b>Cost</b>                           |                    |               |
| At April 01, 2017                     | 115.31             | 115.31        |
| Add: Additions                        | -                  | -             |
| Less: Disposals                       | -                  | -             |
| At March 31, 2018                     | 115.31             | 115.31        |
| At April 01, 2018                     | 115.31             | 115.31        |
| Add: Additions                        | 1.34               | 1.34          |
| Less: Disposals                       | -                  | -             |
| <b>As at December 31, 2018</b>        | <b>116.65</b>      | <b>116.65</b> |
| <b>Amortisation</b>                   |                    |               |
| At April 01, 2017                     | 70.35              | 70.35         |
| Add: Amortisation charge for the year | 15.33              | 15.33         |
| Less: Disposals                       | -                  | -             |
| At March 31, 2018                     | 85.68              | 85.68         |
| At April 01, 2018                     | 85.68              | 85.68         |
| Add: Amortisation charge for the year | 11.58              | 11.58         |
| Less: Disposals                       | -                  | -             |
| <b>As at December 31, 2018</b>        | <b>97.26</b>       | <b>97.26</b>  |
| <b>Net book value</b>                 |                    |               |
| At March 31, 2018                     | 29.63              | 29.63         |
| <b>As at December 31, 2018</b>        | <b>19.39</b>       | <b>19.39</b>  |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**6 Investments**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>A. Investments</b>  |                            |                         |
| <b>Non Current (I)</b>   |                            |                         |
| <i>Investments in equity instruments of other entities (at fair value through other comprehensive income)*</i> |                            |                         |
| Nos. 300420 (March 31, 2018: Nos. 300420) Equity Share of Rs. 10 each fully paid up of Lumax Ancillary Ltd     | 544.61                     | 533.34                  |
|  | <b>544.61</b>              | 533.34                  |
| Aggregate value of unquoted  | 544.61                     | 533.34                  |
| Aggregate amount of impairment in value of Investments   | -                          | -                       |
| <b>Current (II)</b>  |                            |                         |
| <b>Quoted</b>  |                            |                         |
| <b>In Mutual Funds</b>   | 1,668.23                   | 1,477.10                |
|  | <b>1,668.23</b>            | 1,477.10                |

**7 Loans**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| <b>Loans</b>             |                            |                         |
| Loan to Employees        | 15.08                      | 7.60                    |
|                          | <b>15.08</b>               | 7.60                    |
| <b>Current (I)</b>       | 15.08                      | 7.60                    |
| <b>Non- current (II)</b> |                            |                         |

**8 Other Financial assets**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Non- current</b>  |                            |                         |
| Security deposits  | 131.80                     | 86.10                   |
| Provision for bad & doubtful debts                           | -                          | -                       |
| <b>Total</b>   | <b>131.80</b>              | 86.10                   |
| Deposits with remaining maturity for more than twelve months | 950.00                     | -                       |
| <b>Total (A)</b>   | <b>1,081.80</b>            | 86.10                   |
| <b>Current</b>   |                            |                         |
| Interest accrued but not due                                 | 42.80                      | 23.44                   |
| Other recoverables   | 8.81                       | 8.81                    |
| <b>Total (B)</b>   | <b>51.61</b>               | 32.25                   |
| <b>Total (A+B)</b>   | <b>1,133.41</b>            | 118.35                  |

\*Investment in equity instrument (unquoted ) of Lumax Ancillary Ltd where the business model of the company is not for trading , the company has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Other Comprehensive income (FVTOCI).

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**9 INCOME TAX ASSETS/(LIABILITIES) -(NET)**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>Income Tax Assets</b>                      |                            |                         |
| Advance Tax (Net of Provision)                | 13.61                      | 11.04                   |
| MAT Credit Entitlement                        | -                          | 285.50                  |
| <b>Total</b>                                  | <b>13.61</b>               | <b>296.54</b>           |
| <b>Income Tax Liabilities</b>                 |                            |                         |
| Provision for Income Tax (Net of Advance Tax) | 67.51                      | -                       |
|   | -                          | -                       |
|   | <b>67.51</b>               | -                       |

**10 Assets Classified as held for disposal**

|                            | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|----------------------------|----------------------------|-------------------------|
| Fixed Assets held for sale | -                          | 2.13                    |
| <b>Total</b>               | <b>-</b>                   | <b>2.13</b>             |

**11 Other assets**

(Unsecured, considered good, unless otherwise stated)

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>Non- current</b>                             |                            |                         |
| Capital Advances                                | 138.97                     | 74.60                   |
| Prepaid Expenses                                | -                          | 0.55                    |
| ESI Recoverable                                 | 0.78                       | 0.78                    |
|   | <b>139.75</b>              | 75.93                   |
| Less: Provision for doubtful capital advances   | -                          | -                       |
| <b>Total (A)</b>                                | <b>139.75</b>              | <b>75.93</b>            |
| <b>Current</b>                                  |                            |                         |
| Balance with statutory / government authorities | 24.32                      | 23.48                   |
| Advance to suppliers                            | 112.99                     | 36.24                   |
| Prepaid expenses                                | 23.42                      | 22.24                   |
| Advance to employees                            | 0.30                       | -                       |
| Advances Recoverable                            | 31.78                      | 22.17                   |
| <b>Total (B)</b>                                | <b>192.81</b>              | <b>104.13</b>           |
| <b>Total (A+B)</b>                              | <b>332.56</b>              | <b>180.06</b>           |



**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018****(Amounts in INR lacs, unless otherwise stated)****12 Inventories**

|  | <b>As at<br/>December 31, 2018</b> | As at<br>March 31, 2018 |
|--|------------------------------------|-------------------------|
| Raw materials  | <b>396.73</b>                      | 476.58                  |
| - In transit   | -                                  |                         |
| Work-in-progress   | <b>104.51</b>                      | 44.15                   |
| Finished goods [including sales in transit Rs.82.02 (PY Rs.73.18 )]    | <b>218.00</b>                      | 151.35                  |
| Moulds,Tools & Dies in process   | <b>244.54</b>                      | 1.20                    |
| Packing Material   | <b>69.69</b>                       | 44.31                   |
| Stores and spares  | <b>140.54</b>                      | 129.37                  |
| <b>Total inventories at the lower of cost and net realisable value</b> | <b>1,174.01</b>                    | 846.96                  |

**13 Trade receivables**

|  | <b>As at<br/>December 31, 2018</b> | As at<br>March 31, 2018 |
|--|------------------------------------|-------------------------|
| <b>Unsecured, Considered good (unless otherwise sated)</b> |                                    |                         |
| Receivable from Related parties                            | <b>5,191.32</b>                    | 5,837.09                |
| Receivable from Others                                     | <b>2,624.52</b>                    | 2,369.68                |
| Doubtful   | -                                  | -                       |
| Less: Provision for Doubtful Debtors                       | -                                  | -                       |
| <b>Total Trade receivables</b>                             | <b>7,815.84</b>                    | <b>8,206.77</b>         |

**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018****(Amounts in INR lacs, unless otherwise stated)****14 Cash and cash equivalents:**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| Balances with banks:  |                            |                         |
| - on current accounts                                       | 37.14                      | 215.18                  |
| - Deposits with original maturity of less than three months | 110.00                     | 385.44                  |
| Cash on hand  | 1.32                       | 2.46                    |
| <b>Total</b>  | <b>148.46</b>              | <b>603.08</b>           |

**15 Other bank balances**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Other bank balances</b>   |                            |                         |
| - Deposits having original maturity of more than 12 months                                       | 950.00                     | -                       |
| - Deposits with remaining maturity more than three months but less than twelve months            | 1,305.15                   | 993.90                  |
| <b>Total</b>   | <b>2,255.15</b>            | <b>993.90</b>           |
| Less: Deposits having maturity of more than twelve months disclosed under other financial assets | 950.00                     | -                       |
| <b>Total</b>   | <b>1,305.15</b>            | <b>993.90</b>           |

16 Share Capital

a) Details of share capital is as follows:

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Authorised share capital</b><br>Nos. 21,100,000 (PY Nos. 21,100,000) equity shares of Rs. 10 each     | 2,110                      | 2,110                   |
|  | <b>2,110</b>               | 2,110                   |
| <b>Issued, subscribed and paid up</b><br>Nos. 4,240,313 (PY Nos. 4,240,313) equity shares of Rs. 10 each | <b>424.03</b>              | 424.03                  |
|  | <b>424.03</b>              | 424.03                  |

b) Reconciliation of authorised share capital

|                                | Equity Shares              |              |
|--------------------------------|----------------------------|--------------|
|                                | No. of shares<br>(in lacs) | Amount       |
| As at April 01, 2017           | 211                        | 2,110        |
| Issued during the year         | -                          | -            |
| As at March 31, 2018           | 211                        | 2,110        |
| As at April 01, 2018           | 211                        | 2,110        |
| Issued during the year         | -                          | -            |
| <b>As at December 31, 2018</b> | <b>211</b>                 | <b>2,110</b> |

c) Reconciliation of issued, subscribed and paid up share capital

|   | Equity Shares              |               |
|---|----------------------------|---------------|
|   | No. of shares<br>(in lacs) | Amount        |
| <b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b> |                            |               |
| As at April 01, 2017  | 42.40                      | 424.03        |
| Issued during the year  | -                          | -             |
| As at March 31, 2018  | 42.40                      | 424.03        |
| As at April 01, 2018  | 42.40                      | 424.03        |
| Issued during the year  | -                          | -             |
| <b>As at December 31, 2018</b>  | <b>42.40</b>               | <b>424.03</b> |

**d) Terms /rights attached to the equity shares:**

1 The Company has one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 All equity shares are held by holding company ,M/s Lumax Auto Technologies Ltd.

3 Details of shareholders holding more than 5% shares in the company

| Name of the shareholder                         | As at December 31, 2018 |                                | As at March 31, 2018    |                                |
|---|-------------------------|--------------------------------|-------------------------|--------------------------------|
|   | No. of shares (in lacs) | % holding in the equity shares | No. of shares (in lacs) | % holding in the equity shares |
| Equity shares of INR 10 each fully paid         |                         |                                |                         |                                |
| Lumax Auto Technologies Ltd. (Holding Company)* | 42.40                   | 100%                           | 42.40                   | 100%                           |
| * includes Nominee shares                       |                         |                                |                         |                                |

**17 Other equity**

|   | Retained earnings | FVTOCI Reserve | Securities premium | General reserve | Total            |
|---|-------------------|----------------|--------------------|-----------------|------------------|
| <b>As at April 1, 2017</b>                          | 14,728.80         | 142.11         | -                  | 233.40          | 15,104.31        |
| Profit for the year                                 | 1,473.36          | -              | -                  | -               | 1,473.36         |
| Other comprehensive income for the year, net of tax | 0.90              | 9.65           | -                  | -               | 10.55            |
| Less: Transferred from Retained Earnings to General | -172.18           | -              | -                  | 172.18          | -                |
| Less: Dividend declared & paid                      | -636.05           | -              | -                  | -               | -636.05          |
| Less: Tax on Dividend                               | -129.48           | -              | -                  | -               | -129.48          |
| <b>As at March 31, 2018</b>                         | 15,265.35         | 151.76         | -                  | 405.58          | 15,822.69        |
| <b>As at April 1, 2018</b>                          | 15,265.35         | 151.76         | -                  | 405.58          | 15,822.69        |
| Profit for the year                                 | 1,927.65          | -              | -                  | -               | 1,927.65         |
| Other comprehensive income for the year, net of tax | 0.75              | 7.33           | -                  | -               | 8.08             |
| Less: Transferred from Retained Earnings to General | -147.00           | -              | -                  | 147.00          | -                |
| Less: Dividend declared & paid                      | -848.06           | -              | -                  | -               | -848.06          |
| Less: Tax on Dividend                               | -174.32           | -              | -                  | -               | -174.32          |
| <b>As at December 31, 2018</b>                      | <b>16,024.37</b>  | <b>159.09</b>  | <b>-</b>           | <b>552.58</b>   | <b>16,736.04</b> |

**18 Provisions**

|                                    | As at December 31, 2018 | As at March 31, 2018 |
|------------------------------------|-------------------------|----------------------|
| <b>Non Current</b>                 |                         |                      |
| Provision for gratuity             | 42.91                   | 56.91                |
| Provision for compensated absences | 217.51                  | 194.90               |
| <b>TOTAL</b>                       | <b>260.42</b>           | <b>251.81</b>        |
| <b>Current</b>                     |                         |                      |
| Provision for gratuity             | 25.26                   | 25.26                |
| Provision for compensated absences | 18.52                   | 18.52                |
| <b>TOTAL</b>                       | <b>43.78</b>            | <b>43.78</b>         |

19 DEFERRED TAX

| PARTICULARS   | As at<br>December 31, 2018         | As at<br>March 31, 2018         |
|---|------------------------------------|---------------------------------|
| <b>DEFERRED TAX LIABILITY (NET)</b>   |                                    |                                 |
| Opening Balance   | 792.61                             | 728.51                          |
| Add: Tax effect of Fair Valuation of Equity Investments   | 3.94                               | 5.19                            |
| Tax effect of Remeasurement of Defined Benefits   | 0.40                               | 0.49                            |
| Transfer from Statement of Profit & Loss  | 8.61                               | 58.42                           |
| <b>Closing Balance</b>  | <b>805.56</b>                      | 792.61                          |
| <b>DEFERRED TAX ASSETS (A)</b>  |                                    |                                 |
| Expenditure covered u/s 43B of Income Tax Act.  |                                    |                                 |
| Leave Encashment  | 82.48                              | 74.58                           |
| Bonus   | 14.83                              | 17.71                           |
| Provision for Gratuity  | 23.82                              | 28.71                           |
| Expenditure covered u/s 35DD of Income Tax Act  | -                                  | 0.73                            |
| Provison for bad and doubtful debts   | -                                  | -                               |
| <b>Total- A</b>   | <b>121.13</b>                      | 121.73                          |
| <b>DEFERRED TAX LIABILITY (B)</b>   |                                    |                                 |
| Difference between carrying amount of Intangible Assets and Property, Plant & Equipments in the financial statements and Income Tax Act.  | 833.39                             | 828.39                          |
| Un-realised gain on Mutual Fund   | 8.96                               | 5.55                            |
| Fair Value of Investment in Equity  | 84.34                              | 80.40                           |
| <b>Total- B</b>   | <b>926.69</b>                      | 914.34                          |
|   |                                    |                                 |
| <b>DEFERRED TAX LIABILITY (NET) (B-A)</b>   | <b>805.56</b>                      | 792.61                          |
| <b>DEFERRED TAX MOVEMENT</b>  | <b>As at<br/>December 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
| Difference between carrying amount of Intangible Assets and Property, Plant and Equipment in the financial statements and Income Tax Act. | 5.00                               | 41.41                           |
| Un-realised gain on Mutual Fund   | 3.41                               | 5.55                            |
|   | <b>8.41</b>                        | 46.96                           |
| Expenditure covered u/s 43B of Income Tax Act.  |                                    |                                 |
| Leave Encashment  | 7.90                               | 6.63                            |
| Bonus   | -2.88                              | 0.37                            |
| Provision for Gratuity  | -4.89                              | -11.55                          |
| Expenditure covered u/s 35DD of Income Tax Act  | -0.73                              | -1.61                           |
| Provison for bad and doubtful debts   | -                                  | -5.79                           |
|   | <b>-0.60</b>                       | -11.95                          |
| Tax effect of Remeasurement of Defined Benefits   | 0.40                               | 0.49                            |
| <b>DEFERRED TAX EXPENSE/(INCOME) RECOGNISED IN PROFIT &amp; LOSS</b>  | <b>8.61</b>                        | 58.42                           |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**20 Trade payables**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>A. Trade payables</b>                                  |                            |                         |
| - Trade payables  | 3,686.09                   | 4,480.16                |
| - Related parties   | 488.70                     | 400.49                  |
| <b>B. Other payables</b>                                  |                            |                         |
| - Other payables  | 240.13                     | 52.29                   |
| <b>Total</b>  | <b>4,414.92</b>            | <b>4,932.94</b>         |
| <b>Payables to Micro and Small Enterprises</b>            | -                          | -                       |
| <b>Payables to Others than Mico and Small Enterprises</b> | <b>4,414.92</b>            | <b>4,932.94</b>         |

**21 Other financial liabilities**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Other financial liabilities at amortised cost</b> |                            |                         |
| <b>Current</b>                                       |                            |                         |
| Amount payable for property, plant and equipment     | 49.11                      | 76.49                   |
| Accrued Salaries & benefits to employees             | 418.14                     | 380.88                  |
| <b>Total</b>   | <b>467.25</b>              | <b>457.37</b>           |

**22 Other liabilities**

|                        | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|------------------------|----------------------------|-------------------------|
| <b>Current</b>         |                            |                         |
| Statutory dues         | 195.83                     | 155.75                  |
| Advance from customers | 88.70                      | 2.40                    |
| <b>Total</b>           | <b>284.53</b>              | <b>158.15</b>           |



23 Revenue from operations

The details of revenue from operations is as follows:

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Sale of products</b>                  |   |                                      |
| Finished goods                           | 23,841.85                                 | 33,463.60                            |
| Excise duty on sales                     | -   | 1,021.01                             |
| <b>Total sale of products (A)</b>        | <b>23,841.85</b>                          | <b>34,484.61</b>                     |
| <b>Other operating revenue:</b>          |   |                                      |
| Scrap sale                               | 31.93                                     | 35.64                                |
| Job work Income                          | 185.12                                    | 155.15                               |
| Die & tool sale                          | 47.74                                     | 315.67                               |
| <b>Total other operating revenue (B)</b> | <b>264.79</b>                             | <b>506.46</b>                        |
| <b>Revenue from operations (A+B)</b>     | <b>24,106.64</b>                          | <b>34,991.07</b>                     |

24 Other income

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Other non-operating income</b>                        |   |                                      |
| Interest income  |   |                                      |
| - On fixed deposits                                      | 75.33                                     | 93.43                                |
| - Others   | 5.16                                      | 6.01                                 |
| Excess Provision Written back                            | 1.15                                      | 46.42                                |
| Mutual Fund Income/realised/unrealised                   | 91.13                                     | 32.10                                |
| Royalty Income   | 126.03                                    | 160.48                               |
| Miscellaneous income                                     | 372.07                                    | 237.10                               |
| Rental Income  | 304.52                                    | 371.35                               |
| Net gain on foreign currency transaction and translation | -   | 1.72                                 |
| Gain on sales of fixed assets (net)                      | 0.62                                      | 5.45                                 |
| <b>Total</b>   | <b>976.01</b>                             | <b>954.06</b>                        |

**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**25 Cost of raw materials and components consumed**

**a) Raw material and components consumed**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Inventory at the beginning of the year               | <b>476.58</b>                                     | 279.99                               |
| Add: Purchases                                       | <b>16,959.86</b>                                  | 26,212.94                            |
| Less: Inventory at the end of the year               | <b>396.73</b>                                     | 476.58                               |
| <b>Cost of raw materials and components consumed</b> | <b>17,039.71</b>                                  | 26,016.35                            |

**b) Cost of moulds consumed**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Inventory at the beginning of the year | <b>1.20</b>                                       | 25.52                                |
| Add: Purchases made during the year    | <b>277.97</b>                                     | 236.08                               |
| Less: Inventory at the end of the year | <b>244.54</b>                                     | 1.20                                 |
| <b>Cost of moulds consumed</b>         | <b>34.63</b>                                      | 260.40                               |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

**(Amounts in INR lacs, unless otherwise stated)**

**26 (Increase)/Decrease in inventories of finished goods and work-in-progress**

|  | <b>For the period ended<br/>December 31, 2018</b> | <b>For the year ended<br/>March 31, 2018</b> |
|--|---|--|
| <b>Opening stock</b>   |   |  |
| - Finished goods   | <b>151.35</b>                                     | 157.63                                       |
| - Work-in progress   | <b>44.15</b>                                      | 30.17  |
| <b>Total A</b>   | <b>195.50</b>                                     | 187.80                                       |
| <b>Closing stock</b>   |   |  |
| - Finished goods   | <b>218.00</b>                                     | 151.35                                       |
| - Work-in progress   | <b>104.51</b>                                     | 44.15  |
| <b>Total B</b>   | <b>322.51</b>                                     | 195.50                                       |
| <b>Changes in inventories of finished goods</b>  |   |  |
| - Finished goods   | <b>(66.65)</b>                                    | 6.28   |
| - Work-in progress   | <b>(60.36)</b>                                    | (13.98)                                      |
| <b>(Increase)/Decrease in inventories of finished goods and work-in-progress (A-B)</b> | <b>(127.01)</b>                                   | (7.70)                                       |

**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**27 Employee benefits expense**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Salaries, wages and bonus                  | <b>1,980.34</b>                                   | 2,257.37                             |
| Contributions to provident and other funds | <b>57.40</b>                                      | 72.86                                |
| Directors Remuneration incl. Commission    | <b>33.06</b>                                      | 25.51                                |
| Gratuity expense                           | <b>37.15</b>                                      | 42.24                                |
| Staff welfare expense                      | <b>190.05</b>                                     | 202.64                               |
| <b>Total</b>                               | <b>2,298.00</b>                                   | 2,600.62                             |

**28 Finance costs**

|                             | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|-----------------------------|---|--------------------------------------|
| Interest on term loans      | -   | -                                    |
| Interest on working capital | -   | -                                    |
| Interest paid to others     | -   | -                                    |
| <b>Total</b>                | -   | -                                    |

**29 Depreciation and amortization expense**

|   | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|---|---|--------------------------------------|
| Depreciation of tangible assets (refer note 3)          | <b>558.06</b>                                     | 779.90                               |
| Depreciation of investment in properties (refer note 4) | <b>43.26</b>                                      | 57.41                                |
| Amortization of intangible assets (refer note 5)        | <b>11.58</b>                                      | 15.33                                |
| <b>Total</b>  | <b>612.90</b>                                     | 852.64                               |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**30 Other expenses**

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Freight and forwarding charges                           | 188.05                                    | 210.89                               |
| Job-work charges   | 29.31                                     | 35.39                                |
| Electricity & Generator Operating Expenses               | 652.35                                    | 764.16                               |
| Consumption of Stores & Spares                           | 168.80                                    | 195.57                               |
| Testing Charges  | 7.46                                      | 16.34                                |
| Travelling and conveyance                                | 51.04                                     | 99.11                                |
| Packing material consumed                                | 286.42                                    | 412.91                               |
| Rent   | 10.72                                     | 8.60                                 |
| Security charges   | 36.77                                     | 53.82                                |
| Legal and professional fees                              | 12.99                                     | 18.16                                |
| Repairs and maintenance                                  |   |                                      |
| - Plant and machinery                                    | 176.37                                    | 175.17                               |
| - Building   | 31.04                                     | 53.63                                |
| - Others   | 157.04                                    | 178.70                               |
| Postage & Telephones                                     | 8.36                                      | 10.78                                |
| Rates and taxes  | 5.21                                      | 40.37                                |
| Statutory Audit Fee *                                    | 11.81                                     | 15.75                                |
| Insurance  | 10.74                                     | 20.35                                |
| CSR expenditure **                                       | 45.00                                     | 41.50                                |
| Vehicle expenses   | 19.14                                     | 22.19                                |
| Printing and stationery                                  | 9.84                                      | 14.08                                |
| Rebate & Discounts                                       | 1.68                                      | 6.97                                 |
| Warranty Claims & Line Rejections                        | 10.98                                     | 4.20                                 |
| Management fees  | 304.62                                    | 427.95                               |
| Realised/Unrealised loss on foreign exchange fluctuation | 10.31                                     | -                                    |
| Bad Debt Written off                                     | 1.15                                      | 66.50                                |
| Amount Written off                                       | 0.60                                      | -                                    |
| Fixed Assets written off                                 | -   | 4.24                                 |
| Miscellaneous expenses                                   | 34.16                                     | 48.79                                |
| <b>Total</b>   | <b>2,281.96</b>                           | <b>2,946.12</b>                      |

## 31 Income tax recognised in statement of Profit and Loss

| Particulars  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>(a) Tax Expenses</b>  |                            |                         |
| <b>Current Tax</b>   |                            |                         |
| In respect of the current year   | <b>1,006.20</b>            | 723.91                  |
| <b>Deferred Tax</b>  |                            |                         |
| In respect of the current year   | <b>8.61</b>                | 58.42                   |
| <b>Total Income Tax expense recognized in the current year</b>                                       | <b>1,014.81</b>            | 782.33                  |
| <b>(b) The Income tax expense for the year can be reconciled to the accounting profit as follows</b> |                            |                         |
| Profit before tax  | <b>2,942.46</b>            | 2,255.69                |
| Tax at the Indian Tax Rate of 34.944% (previous year 34.608%)  | <b>1,028.21</b>            | 780.65                  |
| Tax Effect of amount that are not deductible (taxable) in determining taxable profit                 |                            |                         |
| Corporate Social Responsibility expenditure  | <b>7.86</b>                | 7.00                    |
| Interest on Late deposit of TDS  | -                          | -                       |
| Prior period exp   | -                          | -                       |
| Difference due to change in tax rate   | -                          | 7.00                    |
| Disallowance of expenditure incurred on rented property (net)  | <b>(31.92)</b>             | (19.00)                 |
| Adjustment of current tax for prior period   | <b>1.64</b>                | (6.50)                  |
| Others   | <b>9.02</b>                | 13.18                   |
| <b>Total Tax</b>   | <b>1,014.81</b>            | 782.33                  |

**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF LUMAX AUTO TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AS AT DECEMBER 31, 2018**

**CONDENSED BALANCE SHEET AS AT DECEMBER 31, 2018**

*Amount in INR lacs, unless otherwise stated*

|  | Notes          | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|----------------|-----------------------|-------------------------|
| <b>ASSETS</b>  |                |                       |                         |
| <b>I. Non-current assets</b>   |                |                       |                         |
| Property, plant and equipment  | 3 (a)          | 14,167.26             | 13,917.40               |
| Capital work in progress   | 3 (b)          | 652.19                | 259.81                  |
| Intangible assets  | 4              | 121.23                | 98.50                   |
| Investment in a subsidiaries and a Joint venture                             | 5              | 4,259.71              | 1,630.92                |
| Income tax assets(net)   | 14             | 240.87                | -                       |
| Financial assets   |                |                       |                         |
| - Investments  | 6              | 8,847.30              | 11,474.14               |
| - Other financial assets   | 7              | 286.57                | 178.41                  |
| Other non- current assets  | 8              | 710.74                | 467.98                  |
|  | <b>(A)</b>     | <b>29,285.86</b>      | <b>28,027.16</b>        |
| <b>II. Current assets</b>  |                |                       |                         |
| Inventories  | 9              | 5,467.48              | 4,308.59                |
| Financial assets   |                |                       |                         |
| - Loans  | 10             | 48.31                 | 44.45                   |
| - Trade receivables  | 11             | 17,596.34             | 16,651.96               |
| - Cash and cash equivalents  | 12             | 185.20                | 817.75                  |
| - Other bank balances  | 13             | 13.15                 | 12.15                   |
| - Others financial assets  | 7              | 62.17                 | 59.33                   |
| Other current assets   | 8              | 588.10                | 905.34                  |
|  | <b>(B)</b>     | <b>23,960.76</b>      | <b>22,799.57</b>        |
| <b>Total Assets</b>  | <b>(A+B)</b>   | <b>53,246.62</b>      | <b>50,826.73</b>        |
| <b>EQUITY AND LIABILITIES</b>  |                |                       |                         |
| <b>I. Equity</b>   |                |                       |                         |
| Equity share capital   | 15             | 1,363.15              | 1,363.15                |
| Other equity   | 16             | 24,655.15             | 24,476.96               |
| <b>Total equity</b>  | <b>(A)</b>     | <b>26,018.30</b>      | <b>25,840.11</b>        |
| <b>Liabilities</b>   |                |                       |                         |
| <b>II. Non- current liabilities</b>  |                |                       |                         |
| Financial liabilities  |                |                       |                         |
| -Borrowings  | 17             | 34.58                 | 36.07                   |
| Deferred tax liabilities (net)   | 18             | 818.77                | 1,048.85                |
|  | <b>(B)</b>     | <b>853.35</b>         | <b>1,084.92</b>         |
| <b>III. Current liabilities</b>  |                |                       |                         |
| Financial liabilities  |                |                       |                         |
| - Borrowings   | 17             | 5,227.20              | -                       |
| - Trade payables   |                |                       |                         |
| - total outstanding dues of micro and small enterprises                      |                | -                     | -                       |
| - total outstanding dues of creditors other than micro and small enterprises | 19             | 17,503.31             | 18,817.91               |
| - Other financial liabilities  | 20             | 1,374.91              | 2,468.49                |
| Provisions   | 21             | 465.73                | 349.27                  |
| Other current liabilities  | 22             | 1,803.81              | 2,192.92                |
| Current Tax Liabilities (Net)  | 14             | -                     | 73.11                   |
|  | <b>(C)</b>     | <b>26,374.97</b>      | <b>23,901.70</b>        |
| <b>Total Liabilities</b>   |                | <b>27,228.32</b>      | <b>24,986.62</b>        |
| <b>Total equity and liabilities</b>  | <b>(A+B+C)</b> | <b>53,246.62</b>      | <b>50,826.73</b>        |

The accompanying notes form an integral part of these financial statements

**For Lumax Auto Technologies Limited**

Sd/ -

**Ashish Dubey**  
Chief Financial Officer



**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF LUMAX AUTO TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AS AT DECEMBER 31, 2018**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED DECEMBER 31, 2018**

*Amount in INR lacs, unless otherwise stated*

|             | Notes  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |                  |
|-------------|--|--------------------------------------|--------------------------------------|------------------|
| I           | Revenue from operations  | 23                                   | 62,389.12                            | 60,750.77        |
| II          | Other income   | 24                                   | 2,124.28                             | 1,499.47         |
| <b>III</b>  | <b>Total income</b>  |                                      | <b>64,513.39</b>                     | <b>62,250.24</b> |
| <b>IV</b>   | <b>Expenses</b>  |                                      |                                      |                  |
|             | Cost of raw material and components consumed   | 25                                   | 33,967.16                            | 28,858.12        |
|             | Cost of moulds consumed  | 26                                   | -                                    | 540.11           |
|             | Purchases of traded goods  |                                      | 10,591.96                            | 12,641.51        |
|             | (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods                      | 27                                   | (614.35)                             | (519.43)         |
|             | Excise duty on sale of goods   |                                      | -                                    | 1,157.49         |
|             | Employee benefits expense  | 28                                   | 5,792.90                             | 5,660.29         |
|             | Finance costs  | 29                                   | 310.58                               | 269.45           |
|             | Depreciation and amortization expense  | 30                                   | 1,073.69                             | 1,332.63         |
|             | Other expenses   | 31                                   | 8,109.29                             | 8,026.56         |
| <b>V</b>    | <b>Total expenses</b>  |                                      | <b>59,231.22</b>                     | <b>57,966.73</b> |
| <b>VI</b>   | <b>Profit before exceptional items and tax (III-V)</b>   |                                      | <b>5,282.18</b>                      | <b>4,283.51</b>  |
|             | Exceptional Item   | 32                                   | -                                    | 227.50           |
| <b>VII</b>  | <b>Profit before tax</b>   |                                      | <b>5,282.18</b>                      | <b>4,056.01</b>  |
| <b>VIII</b> | <b>Tax expense:</b>  |                                      |                                      |                  |
|             | Current tax  | 18                                   | 1,308.52                             | 1,132.22         |
|             | Adjustment of tax relating to earlier years  | 18                                   | 23.65                                | (1.08)           |
|             | Deferred tax   | 18                                   | 63.67                                | 3.10             |
| <b>IX</b>   | <b>Total tax expense</b>   |                                      | <b>1,395.84</b>                      | <b>1,134.24</b>  |
| <b>X</b>    | <b>Profit for the year (VII-IX)</b>  |                                      | <b>3,886.34</b>                      | <b>2,921.77</b>  |
| <b>XI</b>   | <b>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 p  | 33                                   | 34.94                                | 46.58            |
|             | Income tax effect  | 33                                   | (12.21)                              | (16.28)          |
|             | Gain on FVTOCI equity securities   | 33                                   | (2,626.84)                           | 4,232.55         |
|             | Income tax effect  | 33                                   | 305.97                               | (202.72)         |
| <b>XII</b>  | <b>Other comprehensive income for the year, net of tax</b>   |                                      | <b>(2,298.14)</b>                    | <b>4,060.13</b>  |
| <b>XIII</b> | <b>Total comprehensive income of the year, net of tax</b>  |                                      | <b>1,588.19</b>                      | <b>6,981.90</b>  |
|             | <b>Earnings per share (In Rs.) :</b>   |                                      |                                      |                  |
|             | 1) Basic   | 34                                   | 5.70                                 | 4.29             |
|             | 2) Diluted   | 34                                   | 5.70                                 | 4.29             |

The accompanying notes form an integral part of these financial statements

**For Lumax Auto Technologies Limited**

Sd/ -

**Ashish Dubey**  
Chief Financial Officer

(64)

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated***3. Property, plant and equipment and capital work in progress****a) Property, plant and equipment (net)**

The details of property, plant and equipment (net) :

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| Freehold land            | 519.81                        | 519.81                          |
| Leasehold Land           | 300.06                        | 304.35                          |
| Building                 | 2,440.19                      | 2,358.31                        |
| Buildings (Non- Factory) | 1,179.95                      | 1,272.86                        |
| Plant and Equipment's    | 9,236.81                      | 8,947.12                        |
| Furniture and Fixtures   | 154.20                        | 167.18                          |
| Office Equipment's       | 63.38                         | 54.46                           |
| Vehicles                 | 210.08                        | 241.76                          |
| Computers                | 62.97                         | 51.55                           |
| <b>Total</b>             | <b>14,167.26</b>              | <b>13,917.40</b>                |

**b) Capital work in progress**

The details of capital work in progress:

|                            | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|----------------------------|-------------------------------|---------------------------------|
| Capital work in progress * | 652.19                        | 259.81                          |
| <b>Total</b>               | <b>652.19</b>                 | <b>259.81</b>                   |

\* Capital work in progress as at December 31, 2018 comprises expenditure for the plant and equipment's.

**17 Intangible assets****a) Details of intangible assets:**

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| <b>Intangible assets</b> |                               |                                 |
| - Computer software      | 121.23                        | 98.50                           |
| <b>Total</b>             | <b>121.23</b>                 | <b>98.50</b>                    |

## LUMAX AUTO TECHNOLOGIES LIMITED

Statement of Changes in equity for the year ended December 31, 2018

Amount in INR lacs, unless otherwise stated

|                                   | Share capital*<br>(1) | Other Equity         |                    |                       |                 |                   | Total Reserves<br>and surplus<br>(2) | Total equity<br>(1+2) |
|-----------------------------------|-----------------------|----------------------|--------------------|-----------------------|-----------------|-------------------|--------------------------------------|-----------------------|
|                                   |                       | Retained<br>earnings | Capital<br>Reserve | Securities<br>premium | General reserve | FVTOCI reserve    |                                      |                       |
| As at April 01, 2017              | 1,363.15              | 7,021.62             | 69.09              | 4,528.55              | 1,477.00        | 5,039.48          | 18,135.74                            | 19,498.89             |
| Add: Profit for the year          | -                     | 2,921.77             | -                  | -                     | -               | -                 | 2,921.77                             | 2,921.77              |
| Add: Other comprehensive income   | -                     | 30.30                | -                  | -                     | -               | 4,029.83          | 4,060.13                             | 4,060.13              |
| <b>Total comprehensive income</b> | -                     | <b>2,952.07</b>      | -                  | -                     | -               | <b>4,029.83</b>   | <b>6,981.90</b>                      | <b>6,981.90</b>       |
| Less : Dividend Paid              | -                     | (640.68)             | -                  | -                     | -               | -                 | (640.68)                             | (640.68)              |
| <b>As at March 31, 2018</b>       | <b>1,363.15</b>       | <b>9,333.01</b>      | <b>69.09</b>       | <b>4,528.55</b>       | <b>1,477.00</b> | <b>9,069.31</b>   | <b>24,476.96</b>                     | <b>25,840.11</b>      |
| Add: Profit for the year          | -                     | 3,886.34             | -                  | -                     | -               | -                 | 3,886.34                             | 3,886.34              |
| Add: Other comprehensive income   | -                     | 22.73                | -                  | -                     | -               | (2,320.86)        | (2,298.14)                           | (2,298.14)            |
| <b>Total comprehensive income</b> | -                     | <b>3,909.07</b>      | -                  | -                     | -               | <b>(2,320.86)</b> | <b>1,588.20</b>                      | <b>1,588.20</b>       |
| Less: Dividend Paid               | -                     | (1,410.01)           | -                  | -                     | -               | -                 | (1,410.01)                           | (1,410.01)            |
| <b>As at Decemeber 31, 2018</b>   | <b>1,363.15</b>       | <b>11,832.07</b>     | <b>69.09</b>       | <b>4,528.55</b>       | <b>1,477.00</b> | <b>6,748.45</b>   | <b>24,655.15</b>                     | <b>26,018.30</b>      |

5 Investment in a subsidiaries and a Joint venture

Details of Investment

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>-Investment in subsidiaries</b>                  |                       |                         |
| <i>unquoted , valued at cost</i>                    |                       |                         |
| Lumax DK Auto Industries Limited                    | 123.66                | 123.66                  |
| Lumax Mannoh Allied Technologies Private Limited    | 2.51                  | 2.51                    |
| Lumax Integrated Ventures Private Limited           | 81.89                 | 81.89                   |
| Lumax Management Services Private Limited           | 2,808.60              | 413.35                  |
| Lumax Cornaglia Auto Technologies Private Limited   | 590.71                | 590.71                  |
| Lumax Gill-Austem Auto Technologies Private Limited | 418.80                | 418.80                  |
| <b>- Investment in Joint ventures</b>               |                       |                         |
| <i>unquoted , valued at cost</i>                    |                       |                         |
| Lumax Ituran Telematic Private Limited              | 33.54                 | -                       |
| Lumax FAE   | 200.00                | -                       |
| <b>Total</b>  | <b>4,259.71</b>       | <b>1,630.92</b>         |

LUMAX AUTO TECHNOLOGIES LIMITED

Notes to financial statements for the Period ended Dec 31, 2018

6 Investments

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Investments</b>  |                       |                         |
| <i>Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*</i> | 8,847.30              | 11,474.14               |
| <i>Investment in equity instruments (Unquoted)</i>  | -                     | -                       |
|   | <b>8,847.30</b>       | <b>11,474.14</b>        |
| <b>Current</b>  | -                     | -                       |
| <b>Non- current</b>   | <b>8,847.30</b>       | <b>11,474.14</b>        |

7 Other financial assets

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Other financial assets</b>                             |                       |                         |
| <b>Non- current</b>                                       |                       |                         |
| <b>Security Deposits</b>                                  |                       |                         |
| - Considered good   | 286.57                | 173.41                  |
| - Doubtful  | -                     | 5.00                    |
|   | 286.57                | 178.41                  |
| Provision for bad & doubtful debts                        | (5.00)                | (5.00)                  |
|   | 281.57                | 173.41                  |
| Deposits with remaining maturity for more than 12 months* | 5.00                  | 5.00                    |
|   | <b>286.57</b>         | <b>178.41</b>           |
| <b>Current</b>  |                       |                         |
| Interest accrued but not due                              | 3.17                  | 10.01                   |
| Other recoverables  | 59.01                 | 49.32                   |
|   | <b>62.17</b>          | <b>59.33</b>            |
| <b>Total</b>  | <b>348.74</b>         | <b>237.74</b>           |
| <b>Current</b>  | <b>62.17</b>          | <b>59.33</b>            |
| <b>Non- Current</b>                                       | <b>286.57</b>         | <b>178.41</b>           |
|   | <b>348.74</b>         | <b>237.74</b>           |

**8 Other assets**  
(Unsecured, considered good, unless otherwise stated)

The details of other assets:

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| <b>Non- current</b>                              |                       |                         |
| Advances for property, plant and equipment       | 266.37                | 243.28                  |
| Income tax refund receivable                     | 145.32                | 140.24                  |
| Balances with statutory/government authorities * | 299.05                | 84.46                   |
| <b>Total (A)</b>                                 | <b>710.74</b>         | <b>467.98</b>           |
| <b>Current</b>                                   |                       |                         |
| Balance with statutory / government authorities  | 14.97                 | 463.23                  |
| Advance to suppliers                             | 422.38                | 367.24                  |
| Prepaid expenses                                 | 90.65                 | 34.02                   |
| Assets classified as held for sale               | -                     | -                       |
| Others advances                                  | 60.10                 | 40.85                   |
| <b>Total (B)</b>                                 | <b>588.10</b>         | <b>905.34</b>           |
| <b>Total (A+B)</b>                               | <b>1,298.84</b>       | <b>1,373.32</b>         |
| <b>Total current</b>                             | <b>588.10</b>         | <b>905.34</b>           |
| <b>Total non -current</b>                        | <b>710.74</b>         | <b>467.98</b>           |

\* Balance with government authorities includes the amount of subsidy claim receivable on the capital investments made in the state of Maharashtra.

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9 Inventories

a) Details of inventories:

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| Raw materials (at cost)  | 2,591.36              | 2,212.71                |
| Work-in-progress (at cost)   | 441.16                | 271.23                  |
| Finished goods (at lower of cost and net realisable value)             | 690.75                | 408.01                  |
| Traded goods   | 1,504.03              | 1,342.35                |
| Moulds   | 133.45                | 0.52                    |
| Stores and spares  | 106.73                | 73.77                   |
| <b>Total inventories at the lower of cost and net realisable value</b> | <b>5,467.48</b>       | <b>4,308.59</b>         |

b) Stores and spares are capitalised if they meet the definition of property, plant and equipment as per Ind AS 16, otherwise they are classified as inventory.

As per Ind AS 16, Property, plant and equipment are tangible items that:

- i) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- ii) Are expected to be used during more than one period

Management has assessed that the useful life of stores and spares is less than one year, hence considered as part of inventories.

10 Loans

|                     | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---------------------|-----------------------|-------------------------|
| <b>Loans</b>        |                       |                         |
| Loan to Employees   | 48.31                 | 44.45                   |
|                     | <b>48.31</b>          | <b>44.45</b>            |
| <b>Current</b>      | 48.31                 | 44.45                   |
| <b>Non- current</b> | -                     | -                       |

11 Trade receivables

a) Details of trade receivables:

|                                | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--------------------------------|-----------------------|-------------------------|
| Trade receivables              | 17,596.34             | 16,651.96               |
| <b>Total Trade receivables</b> | <b>17,596.34</b>      | <b>16,651.96</b>        |

**12 Cash and cash equivalents**

|   | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|---|-------------------------------|---------------------------------|
| Balances with banks:                                    |                               |                                 |
| - On current accounts                                   | 175.96                        | 155.40                          |
| - Deposits with original maturity of less than 3 months | 0.63                          | 604.63                          |
| - on cash credit accounts                               | 4.63                          | 53.51                           |
| Cash on hand  | 3.97                          | 4.21                            |
| <b>Total</b>  | <b>185.20</b>                 | <b>817.75</b>                   |

**13 Other bank balances**

|   | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|---|-------------------------------|---------------------------------|
| <b>Other bank balances</b>  |                               |                                 |
| - Deposits having remaining maturity of more than 12 months   | 5.00                          | 5.00                            |
| - Deposits with remaining maturity more than 3 months but less than 12 months   | -                             | -                               |
| - on unpaid dividend account *  | 13.15                         | 12.15                           |
| <b>Total</b>  | <b>18.15</b>                  | <b>17.15</b>                    |
| Less: Deposits having remaining maturity of more than 12 months disclosed under other financial assets (refer note 7) | (5.00)                        | (5.00)                          |
| <b>Total</b>  | <b>13.15</b>                  | <b>12.15</b>                    |

\* The Company can utilise the balance only towards settlement of unclaimed dividend.



**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

**14 Current Tax Liabilities/ (assets) - net**

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Current tax liabilities / (assets) (net)</b> | <b>240.87</b>         | <b>73.11</b>            |

**15 Share Capital**

**a) Details of share capital is as follows:**

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2017 |
|---|-----------------------|-------------------------|
| <b>Authorised share capital</b><br>750 lacs (March 31, 2018: 150 lacs) equity shares of Rs. 2 each<br>previous year Rs. 10 each                 | 1,500.00              | 1,500.00                |
|   | <b>1,500.00</b>       | <b>1,500.00</b>         |
| <b>Issued, subscribed and fully paid up capital</b><br>681.6 lacs (March 31, 2018: 136.32 lacs) equity shares of Rs. 2<br>each Previous 10 each | 1,363.15              | 1,363.15                |
|   | <b>1,363.15</b>       | <b>1,363.15</b>         |

**b. Reconciliation of authorised share capital**

|                        | Equity Shares              |                 |
|------------------------|----------------------------|-----------------|
|                        | No. of shares<br>(in lacs) | Amount          |
| At March 31, 2017      | 150.00                     | 1,500.00        |
| At March 31, 2018      | 150.00                     | 1,500.00        |
| <b>At Dec 31, 2018</b> | <b>150.00</b>              | <b>1,500.00</b> |

**c. Reconciliation of issued, subscribed and paid up share capital**

|   | Equity Shares              |                 |
|---|----------------------------|-----------------|
|   | No. of shares<br>(in lacs) | Amount          |
| <b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b> |                            |                 |
| At March 31, 2017   | 136.32                     | 1,363.15        |
| At March 31, 2018   | 136.32                     | 1,363.15        |
| <b>At Dec 31, 2018</b>  | <b>681.60</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 INR 10 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.

e) Details of shareholders holding more than 5% shares in the company

| Name of the shareholder  | As at December 31, 2018 |                                | As at March 31, 2018    |                                |
|--|-------------------------|--------------------------------|-------------------------|--------------------------------|
|  | No. of shares (in lacs) | % holding in the equity shares | No. of shares (in lacs) | % holding in the equity shares |
| Equity shares of INR 10 each fully paid                                  |                         |                                |                         |                                |
| Lumax Finance Private Limited, an enterprise with significant influence  | 24.22                   | 3.55%                          | 24.22                   | 3.55%                          |
| Dhanesh Kumar Jain, Director   | 16.55                   | 2.43%                          | 16.55                   | 2.43%                          |
| Albula Investment Fund Limited, an enterprise with significant influence | 12.32                   | 1.81%                          | 12.32                   | 1.81%                          |
| D. K. Jain & Sons ( HUF), an enterprise with significant influence       | 11.81                   | 1.73%                          | 11.81                   | 1.73%                          |
| Deepak Jain, Director  | 9.15                    | 1.34%                          | 9.15                    | 1.34%                          |
| Anmol Jain, Managing, Director   | 8.62                    | 1.27%                          | 8.62                    | 1.27%                          |

16 Other equity

|  | Retained earnings | Capital Reserve | Securities premium | General reserve | FVTOCI reserve  | Total             |
|--|-------------------|-----------------|--------------------|-----------------|-----------------|-------------------|
| <b>At April 1, 2017</b>                              | 7,021.62          | 69.09           | 4,528.55           | 1,477.00        | 5,039.48        | <b>18,135.74</b>  |
| Profit for the year                                  | 2,921.77          | -               | -                  | -               | -               | <b>2,921.77</b>   |
| Other comprehensive income for the year (net of tax) | 30.30             | -               | -                  | -               | 4,029.83        | <b>4,060.13</b>   |
| Less : Dividend Paid                                 | (640.68)          | -               | -                  | -               | -               | <b>(640.68)</b>   |
| <b>At March 31, 2018</b>                             | <b>9,333.01</b>   | <b>69.09</b>    | <b>4,528.55</b>    | <b>1,477.00</b> | <b>9,069.31</b> | <b>24,476.96</b>  |
| Profit for the year                                  | 3,886.34          | -               | -                  | -               | -               | <b>3,886.34</b>   |
| Other comprehensive income for the year (net of tax) | 22.73             | -               | -                  | -               | (2,320.86)      | <b>(2,298.14)</b> |
| Less : Dividend Paid (Refer Note 42)                 | (1,410.01)        | -               | -                  | -               | -               | <b>(1,410.01)</b> |
| <b>At December 31, 2018</b>                          | <b>11,832.06</b>  | <b>69.09</b>    | <b>4,528.55</b>    | <b>1,477.00</b> | <b>6,748.45</b> | <b>24,655.15</b>  |

17 Borrowings

a) Details of long term borrowings:

|  | Effective interest rate | Maturity  | As at Dec 31, 2018 | As at March 31, 2018 |
|--|-------------------------|-----------|--------------------|----------------------|
| <b>Long term maturities of finance lease obligation</b>                            |                         |           |                    |                      |
| Vehicle loan from banks (secured)**  | 8 % -10%                | 2018-2021 | 84.87              | 96.47                |
| <b>Other loans</b>   |                         |           |                    |                      |
| Deferred sales tax loan (unsecured)***   | -                       | 2019      | -                  | 3.75                 |
| Less: current maturity disclosed under other financial liabilities (refer note 20) |                         |           |                    |                      |
| - term loan  |                         | 2018      | -                  | -                    |
| - vehicle loan   |                         | 2018-2019 | (50.28)            | (60.40)              |
| - deferred sales tax loan  |                         | 2019      | -                  | (3.75)               |
| <b>Total borrowings</b>  |                         |           | <b>34.58</b>       | <b>36.07</b>         |
| <b>Total current</b>   |                         |           | <b>50.28</b>       | <b>64.15</b>         |
| <b>Total non -current</b>  |                         |           | <b>34.58</b>       | <b>36.07</b>         |
| Aggregate secured loans  |                         |           | <b>84.87</b>       | <b>96.47</b>         |
| Aggregate unsecured loans  |                         |           | -                  | <b>3.75</b>          |

b) Details of short term borrowings:

|  | Effective interest rate | Maturity | As at Dec 31, 2018 | As at March 31, 2018 |
|--|-------------------------|----------|--------------------|----------------------|
| <b>Loan repayable On Demand (from financial institution)</b> |                         |          |                    |                      |
| Working capital loan repayable on demand*                    | 8.50%-9.50%             | 2018     | 4,500.00           | -                    |
| Cash Credit Account  |                         |          | 727.20             | -                    |
| <b>Total</b>   |                         |          | <b>5,227.20</b>    | <b>-</b>             |

\* Working capital loan from financial institution is repayable in 90 days from respective drawdown and carries interest ranging between 8.50%-9.50% 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.

18 Income tax

(a) The major components of income tax expense for the years ended December 31, 2018 and March 31, 2017 are:

Statement of profit and loss:

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Current income tax:</b>  |                       |                         |
| Current income tax charge   | 1,308.52              | 1,132.22                |
| Adjustments in respect of current income tax of previous year         | 23.65                 | (1.08)                  |
| <b>Deferred tax :</b>   |                       |                         |
| Relating to origination and reversal of temporary differences         | 63.67                 | 3.10                    |
| <b>Income tax expense reported in the statement of profit or loss</b> | <b>1,395.84</b>       | <b>1,134.24</b>         |

(b) OCI section

Deferred tax related to items recognised in Other Comprehensive Income during the year:

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| Net loss/ (gain) on remeasurements of defined benefit plans | (12.21)               | (16.28)                 |
| Gain on financial assets                                    | 305.97                | (202.72)                |
| <b>Income tax charged to Other Comprehensive Income</b>     | <b>293.76</b>         | <b>(219.00)</b>         |

(c)

| Deferred tax:                | Balance sheet         |                         |
|------------------------------|-----------------------|-------------------------|
|                              | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
| Deferred tax liability (Net) | 818.77                | 1,048.85                |

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated*

**19 Trade payables**

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| <b>A. Trade payables</b> |                               |                                 |
| - Trade payables         | 15,696.14                     | 17,750.09                       |
| <b>B. Other payables</b> |                               |                                 |
| - Other payables         | 1,807.16                      | 1,067.82                        |
| <b>Total</b>             | <b>17,503.31</b>              | <b>18,817.91</b>                |

Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

**20 Other financial liabilities**

|  | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--|-------------------------------|---------------------------------|
| <b>Other financial liabilities at amortised cost</b> |                               |                                 |
| <b>Current</b>                                       |                               |                                 |
| Current maturity of long term loan                   | -                             | 3.75                            |
| Current maturity of vehicle loan                     | 50.28                         | 60.40                           |
| Amount payable for property, plant and equipment     | 186.23                        | 795.03                          |
| Accrued salaries                                     | 709.57                        | 1,170.07                        |
| Unsecured deposits from customers                    | 415.68                        | 427.09                          |
| Unpaid dividends *                                   | 13.15                         | 12.15                           |
| <b>Total</b>   | <b>1,374.91</b>               | <b>2,468.49</b>                 |
| <b>Total current</b>                                 | <b>1,374.91</b>               | <b>2,468.49</b>                 |
| <b>Total non- current</b>                            | <b>-</b>                      | <b>-</b>                        |

21 Provisions

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| <b>Current</b>                         |                       |                         |
| <b>Provision for employee benefits</b> |                       |                         |
| Provision for gratuity                 | 279.71                | 232.90                  |
| Provision for compensated absences     | 186.02                | 116.37                  |
| <b>Total</b>                           | <b>465.73</b>         | <b>349.27</b>           |
| <b>Current</b>                         | <b>465.73</b>         | <b>349.27</b>           |
| <b>Non- Current</b>                    | -                     | -                       |

22 Other liabilities

Details of other liabilities

|                          | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|-----------------------|-------------------------|
| <b>Current</b>           |                       |                         |
| Statutory dues           | 258.10                | 724.93                  |
| Other liabilities (net)* | 1,545.71              | 1,467.99                |
| <b>Total</b>             | <b>1,803.81</b>       | <b>2,192.92</b>         |
| <b>Current</b>           | 1,803.81              | 2,192.92                |
| <b>Non-current</b>       | -                     | -                       |

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23 Revenue from operations

a) The details of revenue from operations is as follows:

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>Sale of products</b>                  |                                      |                                      |
| Finished goods                           | 47,605.28                            | 43,072.84                            |
| Traded goods                             | 14,731.19                            | 17,030.97                            |
| <b>Total sale of products (A)</b>        | <b>62,336.47</b>                     | <b>60,103.81</b>                     |
| <b>Other operating revenue:</b>          |                                      |                                      |
| Scrap sale                               | 52.64                                | 28.46                                |
| Mould and tool sale                      | -                                    | 618.50                               |
| <b>Total other operating revenue (B)</b> | <b>52.64</b>                         | <b>646.96</b>                        |
| <b>Revenue from operations (A+B)</b>     | <b>62,389.12</b>                     | <b>60,750.77</b>                     |

24 Other income

|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>Other non-operating income</b>           |                                      |                                      |
| Interest income                             |                                      |                                      |
| - On fixed deposits                         | 13.38                                | 13.74                                |
| - Others                                    | 2.60                                 | 6.78                                 |
| Discount received                           | 61.77                                | 68.42                                |
| Liabilities no longer required written back | 32.14                                | 92.26                                |
| Miscellaneous income                        | 571.10                               | 226.85                               |
| Rental Income                               | 187.33                               | 216.53                               |
| Dividend Income                             | 1,255.96                             | 874.89                               |
| <b>Total</b>                                | <b>2,124.28</b>                      | <b>1,499.47</b>                      |

**25 Cost of raw materials and components consumed**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year               | 2,212.71                             | 1,053.58                             |
| Add: Purchases                                       | 34,345.80                            | 30,017.25                            |
| Less: Inventory at the end of the year               | (2,591.36)                           | (2,212.71)                           |
| <b>Cost of raw materials and components consumed</b> | <b>33,967.16</b>                     | <b>28,858.12</b>                     |

**26 Cost of moulds consumed**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year | 0.52                                 | 26.15                                |
| Add: Purchases made during the year    | 132.92                               | 514.48                               |
| Less: Inventory at the end of the year | (133.45)                             | (0.52)                               |
| <b>Cost of moulds consumed</b>         | <b>-</b>                             | <b>540.11</b>                        |

**27 (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>Opening stock</b>   |                                      |                                      |
| - Finished goods   | 408.01                               | 275.12                               |
| -Traded Goods  | 1,342.35                             | 1,061.08                             |
| - Work-in progress   | 271.23                               | 165.96                               |
| <b>Total (A)</b>   | <b>2,021.59</b>                      | <b>1,502.16</b>                      |
| <b>Closing stock</b>   |                                      |                                      |
| - Finished goods   | 690.75                               | 408.01                               |
| -Traded Goods  | 1,504.03                             | 1,342.35                             |
| - Work-in progress   | 441.16                               | 271.23                               |
| <b>Total (B)</b>   | <b>2,635.94</b>                      | <b>2,021.59</b>                      |
| <b>Changes in inventories of finished goods</b>  |                                      |                                      |
| - Finished goods   | (282.74)                             | (132.89)                             |
| -Traded Goods  | (161.68)                             | (281.27)                             |
| - Work-in progress   | (169.93)                             | (105.27)                             |
| <b>(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)</b> | <b>(614.35)</b>                      | <b>(519.43)</b>                      |



**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated*

**28 Employee benefits expense**

|  | <b>For the Period ended<br/>Dec 31, 2018</b> | <b>For the year ended<br/>March 31, 2018</b> |
|--|--|--|
| Salaries, wages and bonus                  | 5,413.78                                     | 5,243.53                                     |
| Contributions to provident and other funds | 177.73                                       | 210.35                                       |
| Gratuity expense                           | 91.33  | 75.24  |
| Staff welfare expense                      | 110.05                                       | 131.17                                       |
| <b>Total</b>                               | <b>5,792.90</b>                              | <b>5,660.29</b>                              |

**29 Finance costs**

|                             | <b>For the Period ended<br/>Dec 31, 2018</b> | <b>For the year ended<br/>March 31, 2018</b> |
|-----------------------------|--|--|
| Interest on term loans      | -  | 50.24  |
| Interest on working capital | 149.93                                       | 95.44  |
| Interest paid to others     | 160.66                                       | 123.77                                       |
| <b>Total</b>                | <b>310.58</b>                                | <b>269.45</b>                                |

**30 Depreciation and amortization expense**

|  | <b>For the Period ended<br/>Dec 31, 2018</b> | <b>For the year ended<br/>March 31, 2018</b> |
|--|--|--|
| Depreciation of tangible assets (note 3)   | 1,040.62                                     | 1,296.40                                     |
| Amortization of intangible assets (note 4) | 33.07  | 36.23  |
| <b>Total</b>                               | <b>1,073.69</b>                              | <b>1,332.63</b>                              |

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**LUMAX AUTO TECHNOLOGIES LIMITED**
**Notes to financial statements for the Period ended Dec 31, 2018**
*Amount in INR lacs, unless otherwise stated*
**31 Other expenses**

|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Freight and forwarding charges                      | 1,104.40                             | 1,292.51                             |
| Job-work charges                                    | 1,737.82                             | 1,539.64                             |
| Power and fuel                                      | 814.57                               | 817.49                               |
| Consumables   | 674.24                               | 462.21                               |
| Travelling and conveyance                           | 397.95                               | 389.13                               |
| Packing material consumed                           | 346.75                               | 408.45                               |
| Rent  | 326.19                               | 319.51                               |
| Security charges                                    | 131.09                               | 146.04                               |
| Legal and professional fees                         | 160.17                               | 223.78                               |
| Repairs and maintenance                             |                                      |                                      |
| - Plant and machinery                               | 412.59                               | 594.51                               |
| - Building  | 32.53                                | 72.13                                |
| - Others  | 55.55                                | 65.00                                |
| Communication cost                                  | 53.67                                | 61.90                                |
| Rates and taxes                                     | 54.46                                | 64.93                                |
| Payment to auditors (refer detail below)*           | 46.04                                | 46.04                                |
| Insurance   | 36.09                                | 42.62                                |
| CSR expenditure (refer details below)**             | 49.50                                | 40.66                                |
| Vehicle expenses                                    | 80.02                                | 69.72                                |
| Printing and stationery                             | 33.31                                | 39.51                                |
| Advertisement and sales promotion                   | 10.05                                | 31.46                                |
| Water charges                                       | 23.48                                | 22.27                                |
| Commission to selling agent                         | -                                    | -                                    |
| Director's sitting fees                             | 9.24                                 | 9.00                                 |
| Management fees                                     | 1,028.86                             | 788.46                               |
| Increase of excise duty on inventory                | -                                    | (21.09)                              |
| Loss on sales of Property plant , equipment's (net) | 1.74                                 | 14.92                                |
| Exchange difference (net)                           | 173.13                               | 16.97                                |
| Provision for doubtful debts and advances           | -                                    | 30.51                                |
| Miscellaneous expenses                              | 315.86                               | 676.31                               |
| <b>Total</b>  | <b>8,109.29</b>                      | <b>8,026.56</b>                      |

**32 Exceptional item**

|                          | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--------------------------|--------------------------------------|--------------------------------------|
| Employee separation cost | -                                    | 227.50                               |
| <b>Total</b>             | <b>-</b>                             | <b>227.50</b>                        |

**33 Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

| Particulars   | Retained earnings                    |                                      |
|---|--------------------------------------|--------------------------------------|
|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
| Re-measurement gains/ (losses) on defined benefit plans | 34.94                                | 46.58                                |
| Deferred tax thereon                                    | (12.21)                              | (16.28)                              |
| Gain on FVTOCI equity securities                        | (2,626.84)                           | 4,232.55                             |
| Deferred tax thereon                                    | 305.97                               | (202.72)                             |
|   | <b>(2,298.14)</b>                    | <b>4,060.13</b>                      |

**34 Earnings per share (EPS)**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Profit attributable to the equity holders of the Company                     | 3,886.34                             | 2,921.77                             |
| Weighted average number of equity shares for basic and diluted EPS (in lacs) | 681.58                               | 681.58                               |
| Basic and diluted earnings per share (face value Rs. 2 each share)           | 5.70                                 | 4.29                                 |

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LUMAX AUTO TECHNOLOGIES LIMITED  
Cash flow statement for year ended December 31, 2018

*Amount in INR lacs, unless otherwise stated*

|  | Year Ended<br>December 31, 2018 | Year Ended<br>March 31, 2018 |
|--|---------------------------------|------------------------------|
| Net cash generated from operating activities (A)                 | 9,462.85                        | 5,122.56                     |
| Net cash used in investing activities (B)                        | (4,783.33)                      | (1,359.30)                   |
| Net cash used in financing activities (C )                       | (5,312.07)                      | (4,206.75)                   |
| Net (decrease)/Increase in cash and cash equivalents (A + B + C) | (632.55)                        | (443.49)                     |
| Cash and cash equivalents at the beginning of the year           | 817.75                          | 1,261.24                     |
| <b>Cash and cash equivalents at the end of the year</b>          | <b>185.20</b>                   | <b>817.75</b>                |

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## **Lumax Auto Technologies Limited**

### **Notes forming part of the Financial Information**

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#### **1. Corporate Information**

Lumax Auto Technologies Limited (the 'Company') is a company domiciled in India, with its registered office situated Regd. Office : Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune-411026. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India (NSE). The Company is primarily involved in manufacturing of Automobile Components and Parts thereof.

#### **2. Basis of preparation**

The condensed Balance sheet as at December 31, 2018, the condensed Statement of Profit and Loss, the condensed Cash flow statement, the condensed Statement of Changes in Equity for the 9 months period ended December 31, 2018 and other explanatory notes ("financial information") represents the standalone financial information of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India, including the Indian accounting standard (Ind AS) prescribed under section 133 of the act.

The Company management had previously issued its audited financial statements for the year ended March 31, 2018 (Annual financial statements') on May 28, 2018 that were prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013, (the 'Act'), Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended & other relevant provisions of the Act ('financial statements').

Information as at December 31, 2018 and for the period then ended, is proposed to be sent to the Hon' ble National Company Law Tribunal (NCLT), creditors, shareholders and other statutory authorities, in accordance with the requirements of the Companies Act 2013.

The financial results of the Company for the nine months period ended December 31, 2018 were reviewed by statutory auditors of the company and an unqualified Limited Review Report was given thereupon.

This compiled informations are not a complete set of financial statements prepared as per the requirements of the companies Act 2013 or the requirements of the Ind AS 34"Interim Financial Reporting.

#### **3. Significant accounting policies, accounting estimates, assumptions and judgements**

The accounting policies, accounting estimates, assumptions and judgements adopted in the compilation of these financial information are consistent with those followed in the preparation of the Company's latest Annual financial statements.

# LUMAX AUTO TECHNOLOGIES LIMITED

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

**Tel No. :** 011-49857832 **CIN:** L31909DL1981PLC349793

**E-Mail:** shares@lumaxmail.com **Website:** www.lumaxautotech.com

## ATTENDANCE SLIP

Regd. Folio No.....

No. of Shares held.....

\*DP. ID. No. ....

\*Client ID No. ....

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the **NCLT convened meeting of the equity shareholders** of the Company to be held on Friday, 5<sup>th</sup> Day of July, 2019 at 12 Noon (IST) at Air Force Auditorium, Subroto Park, New Delhi- 110010, India

|   |   |
|---|---|
| .....<br>Name of the Shareholder / Proxy/<br>Company Representative | .....<br>Signature of the Shareholder / Proxy /<br>Company Representative |
|---|---|

\*Applicable for investors holding shares in electronic form.

# LUMAX AUTO TECHNOLOGIES LIMITED

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

**Tel No. :** 011-49857832 **CIN:** L31909DL1981PLC349793

**E-Mail:** shares@lumaxmail.com **Website:** www.lumaxautotech.com

## PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management & Administration) Rules, 2014]

Regd. Folio No.....

No. of Shares held.....

\*DP. ID. No. ....

\*Client ID No. ....

I/ We ( ), being the holder(s)..... shares of LumaxAuto Technologies Limited, hereby appoint:

- 1) .....of.....having email id.....or failing him
- 2) .....of.....having email id.....or failing him
- 3) .....of.....having email id.....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the NCLT Convened meeting of the Equity Shareholders of Company to be held on Friday, July 5, 2019 at 12 Noon (IST) at Air Force Auditorium, Subroto Park, New Delhi- 110010, India and at any adjournment(s) thereof.

\*Applicable for investors holding shares in electronic form.

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

| Sr.No. | Resolutions   | For | Against |
|--------|---|-----|---------|
| 1      | Approval of Scheme of Merger of Lumax DK Auto Industries Limited ('Transferor Company') and LumaxAuto Technologies Limited ('Transferee Company')and their respective Shareholders and Creditors ("Scheme") |     |         |

Signed this ..... day of 2019.

Affix Rs. 1  
Revenue  
Stamp

Signature of the Member

.....  
Signature of first proxy holder

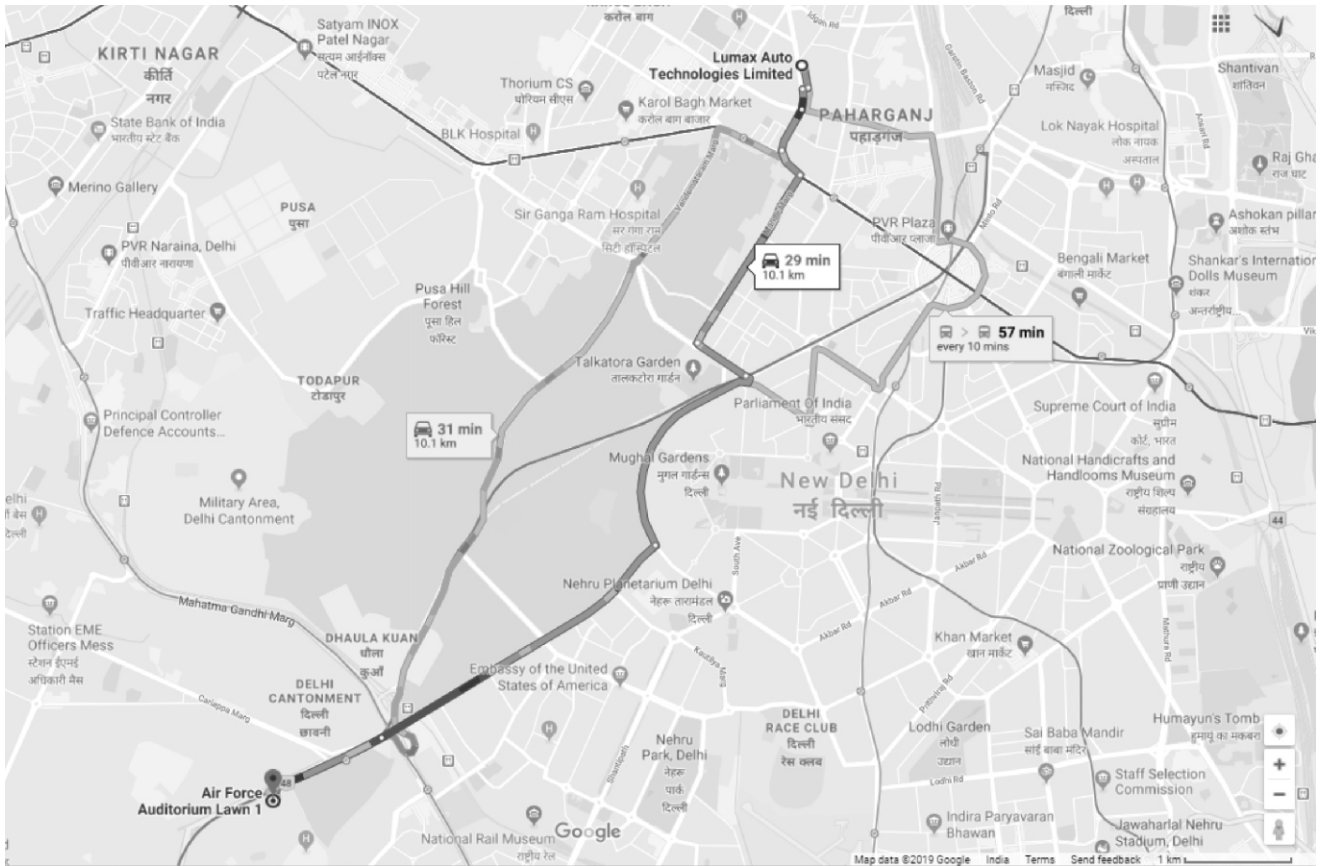
.....  
Signature of Second proxy holder

.....  
Signature of third proxy holder

**Note:**

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
2. For the resolutions, explanatory statements and notes please refer to the notice of NCLT Convened Meeting.
3. A Proxy need not to be a member of the Company.
4. \*\*It is optional to put ("✓") in the appropriate column against the resolutions indicated in the box.
5. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he /she thinks appropriate.
6. Appointing a proxy does not prevent a member for attending the meeting in person if he /she so wishes.

# Route Map of NCLT Convened meeting of the Equity Shareholders



**Venue:** Air Force Auditorium, Subroto Park, New Delhi- 110010



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# LUMAX AUTO TECHNOLOGIES LIMITED

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

Tel No.: 011-49857832, CIN: L31909DL1981PLC349793

E-Mail: shares@lumaxmail.com, Website: www.lumaxautotech.com

## POSTAL BALLOT FORM

Serial No. ....

- 1 Name & Registered Address :  
of the Sole/First Member/
  
- 2 Name(s) of the Joint holder(s) :  
if any
  
- 3 Registered Folio No./\*DP ID No. :  
/Client ID No.  
(\*Applicable to the Members  
holding Shares in dematerialized  
form)
  
- 4 Number of Shares held :
  
- 5 I/We hereby exercise my / our vote in respect of the Resolution detailed in the Notice issued pursuant to the NCLT Order dated 14.05.2019 and 21.05.2019 convening the Meeting of the Equity Shareholders of Lumax Auto Technologies Limited to be held at Air Force Auditorium, Subroto park, New Delhi - 110010 on Friday, the 5th day of July, 2019 at 12 Noon by recording my / our assent or dissent to the said Resolution, by placing the tick (✓) mark at the appropriate box below:

| Item No. | Particulars  | Number of Equity Shares held by me/us | I/We assent to the Resolution (FOR) | I/We dissent to the Resolution (AGAINST) |
|----------|--|---------------------------------------|-------------------------------------|--|
| 1.       | To approve the Scheme of Amalgamation of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors ("Scheme"). |                                       |                                     |  |

Date:

Place:

.....  
Signature of the Member

## E-VOTING PARTICULARS

| EVEN<br>(Electronic Voting Event Number) | USER ID | PASSWORD |
|--|---------|----------|
|  |         |          |

**Note:** Please read carefully the instructions printed overleaf before exercising voting through this Form. For Remote e – voting please refer the instruction for "Remote e-voting" given in the Notes under the Notice convening the Meeting.

## INSTRUCTIONS

1. A member desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form in all respects and send it to the Scrutinizer in the attached self-addressed postage pre-paid envelope which shall be properly sealed with adhesive or adhesive tape. The members residing outside India should stamp the envelope appropriately. The envelope containing Postal Ballot Form if sent by courier or by Registered Post at the expense of the member will also be accepted. The Postal Ballot Form may also be deposited personally at the address provided on the attached envelope.
2. Shri Mayank Bansal has been appointed as Scrutinizer by the National Company Law Tribunal vide its Order dated 14.05.2019 and 21.05.2019. The self-addressed postage pre-paid envelope bears the postal address of Scrutinizer.
3. The voting period commences at 9:00 A.M. on Wednesday, 5<sup>th</sup> June, 2019 and ends at 5:00 P.M. on Thursday, 4<sup>th</sup> July, 2019. The Postal Ballot Form duly completed and signed (as per specimen signature registered with the Company) should reach to the Scrutinizer appointed by the National Company Law Tribunal or at the Registered Office of the Company on or before 5:00 P.M. on Thursday, 4<sup>th</sup> July, 2019.
4. Postal Ballot(s) received after 5:00 P.M. of the last date i.e. the Thursday, 4<sup>th</sup> July, 2019 will be treated as if the reply from the member has not been received and the same will not be considered.
5. In case shares are jointly held, this Form should be completed and signed by the first named member and in his/her absence, by the next named member.
6. In case of shares held by companies, trusts, societies etc. the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/Authority Letter together with attested specimen signature(s) of the authorized signatory/ies, giving requisite authority to the person voting on the Postal Ballot Form.
7. The Postal Ballot Notice is being sent to all the members whose names appear in the Register of Members/Records of depositories as on cut-off date i.e. Friday, May 03, 2019. The voting rights shall be reckoned on the paid-up value of equity shares registered in the name of members as on Friday, May 03, 2019.
8. Members are requested not to send any paper (other than the resolution/authority letter/copy of nomination/power of attorney as mentioned in instruction No. 6 above) along with the Postal Ballot Form in the enclosed business reply self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelopes would be destroyed by the Scrutinizer.
9. A tick (✓) mark should be placed in the relevant box signifying assent / dissent for the resolution, as the case may be, before mailing the Postal Ballot Form. Postal Ballot Form bearing tick (✓) mark in both the columns will render the same invalid.
10. A member, including the member who has opted to receive the documents electronically may seek duplicate Postal Ballot Form from the Registered office of the Company. However, the duly filled in and signed duplicate Postal Ballot Form should reach the Scrutinizer not later than the time and date specified at instruction No. 3.
11. The vote in this Postal Ballot cannot be exercised through proxy.
12. There will be only one Postal Ballot Form for every Folio/ Client ID.
13. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Form will be rejected.
14. The Scrutinizer's decision on the validity or otherwise of the Postal Ballot will be final.
15. In case of any queries or grievances relating to remote e-voting, please contact at [evoting@karvy.com](mailto:evoting@karvy.com) or Ph. No. 040-67161569 or Call karvy's Toll Free No.1-800-34-54-001 and relating to voting by way of physical ballot, please contact at [shares@lumaxmail.com](mailto:shares@lumaxmail.com) or Ph. No. 011-49857832.
16. A member can opt only one mode for voting i.e. either by Physical Ballot or remote e-voting. In case you are opting for remote e-voting, then do not vote by Physical Ballot and vice versa. However, in case member(s) cast their vote both by Physical Ballot and remote e-voting, then the voting done through remote e- voting shall prevail and voting done by Physical Ballot will be treated as invalid.

# LUMAX AUTO TECHNOLOGIES LIMITED

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

Tel No.: 011-49857832, CIN: L31909DL1981PLC349793

E-Mail: shares@lumaxmail.com, Website: www.lumaxautotech.com

## NOTICE OF THE MEETING OF THE SECURED CREDITORS OF LUMAX AUTO TECHNOLOGIES LIMITED

(Convened pursuant to order dated May 14, 2019 and May 21, 2019 passed by the Hon'ble National Company Law Tribunal, Principal Bench)

### DETAILS OF NCLT CONVENED MEETING OF SECURED CREDITORS

|              |   |
|--------------|---|
| <b>Day</b>   | Friday  |
| <b>Date</b>  | 5 <sup>th</sup> day of July, 2019                     |
| <b>Time</b>  | 02:30 PM (IST)  |
| <b>Venue</b> | Air Force Auditorium, Subroto Park, New Delhi- 110010 |

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**FORM NO. CAA 2**

[Pursuant to Section 230 (3) and Rule 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

**Company Application No. CA (CAA) 76 (PB)/ 2019**

**And**

**Company Application No. CA (CAA) 19(PB)/ 2019**

**And**

**Company Application No. CA 959 (PB)/ 2019**

**NOTICE CONVENING THE MEETING OF SECURED CREDITORS OF LUMAX AUTO TECHNOLOGIES LIMITED PURSUANT TO THE ORDER DATED MAY 14, 2019 AND MAY 21, 2019 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, PRINCIPAL BENCH AT NEW DELHI**

To

The Secured Creditors of LumaxAuto Technologies Limited (the "**Company**" or the "**Transferee Company**")

**NOTICE** is hereby given that by an order dated May 14, 2019 and May 21, 2019 (the "**Order**") in the abovementioned Company Application No. C.A. (CAA)-76/(PB)/ 2019 and Company Application No. C.A. (CAA) – 19 (PB)/ 2019 and Company Application CA - 959 (PB)/ 2019, the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi has directed a meeting to be held of the Secured Creditors of the Transferee Company ("NCLT Convened Meeting"), for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors ("Scheme").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the Secured Creditors of the Company will be held to transact the special business at 02:30 PM on Friday, 5<sup>th</sup> day of July, 2019 at Air Force Auditorium, Subroto Park, New Delhi- 110010 at which time and place the said Secured Creditors are requested to attend, to consider and if thought fit, approve with or without modification(s), the resolution set out below in this Notice under Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) with the requisite majority.

**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, including all rules, circulars and notifications issued thereunder, as may be applicable, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the National Company Law Tribunal Rules, 2016, applicable provisions, if any, and any other provision of any other applicable law / statute and in accordance with the relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi and approval of such other regulatory / statutory / government authority(ies), as may be necessary or as may be directed by the NCLT or such other competent authority(ies), as the case may be, approval of the secured creditors of the Company be and is hereby accorded to the proposed Scheme of Merger of Lumax DK Auto Industries Limited ("**Transferor Company**") with Lumax Auto Technologies Limited ("**Transferee Company**") and their respective Shareholders and Creditors ("**Scheme**")."

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter called the 'Board', which term shall be deemed to include any person(s) authorized and / or one or more committee(s) which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme of Merger and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required or directed by the Hon'ble National Company Law Tribunal Principal Bench at New Delhi while sanctioning the Scheme or by any authorities under law or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board of Directors may deem fit and proper."

Explanatory Statement pertaining to the said resolution setting out the material facts and reasons thereof under Section 230, Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of the Scheme and other annexures including Proxy Form and Attendance Slip (as indicated in the index) are enclosed herewith. Copies of the same can also be obtained free of cost from the registered office of the Company situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 or at the office of authorised representative of the Company i.e. Shri Sanjay Grover/ Devesh Kumar Vasisht/ Neeraj Arora, Company Secretaries in Practise having office at B-88, 1<sup>st</sup> Floor, Defence Colony, New Delhi-110024.

The Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, has appointed Ajay Bhagwati, Advocate as Chairperson and Shri Sanjeev Singhal, Chartered Accountant as an Alternate Chairperson of the said meeting.

Further, as directed by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, Shri Mayank Bansal, Chartered Accountant, has been appointed as a Scrutinizer for the said meeting of the Secured Creditors for conducting voting through ballot paper at the venue of the meeting in a fair and transparent manner.

The above-mentioned Scheme of Amalgamation, if approved by the Secured Creditors in the aforesaid meeting, will be subject to the subsequent approval by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi.

Sd/-

**Dated:** 27th day of May, 2019

**Place:** New Delhi

**Ajay Bhagwati**  
**Chairperson appointed for the meeting**

**Registered Office of the Company:**

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

**NOTES:**

1. **A SECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY / PROXIES SO APPOINTED NEED NOT TO BE ANOTHER SECURED CREDITOR OF THE TRANSFEREE COMPANY. THE FORM OF PROXY DULY COMPLETED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE TRANSFEREE COMPANY SITUATED AT 2ND FLOOR, HARBANS BHAWAN-II, COMMERCIAL COMPLEX, NANGAL RAYA, NEW DELHI - 110046 NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF COMMENCEMENT OF THE AFORESAID MEETING.**
2. All alterations made in the Form of Proxy should be initialed. Incomplete, unsigned, improperly or incorrectly completed proxy form may be rejected by the Scrutinizer.
3. Form of proxy is annexed to this Notice and can also be obtained from the registered office of the Transferee Company.
4. The Secured Creditors are ascertained as on February 28, 2019 i.e. cut-off date. The Voting rights of the Secured Creditors shall be in proportion to the outstanding amount due by the Transferee Company as on cut-off date. Individual notice, explanatory statement together with the accompanying documents is being sent to all secured creditors of Transferee Company as on cut-off date by Courier at their registered address. The notice may also be accessed on the website of the Company i.e. [www.lumaxautotech.com](http://www.lumaxautotech.com).
5. The authorized representative of a Body Corporate which is a Secured Creditor of the Transferee Company may attend and vote at the NCLT convened meeting of Secured Creditors of the Transferee Company provided a certified true copy of the resolution of the Board of Directors of such Body Corporate authorizing such representative to attend and vote at the NCLT Convened meeting of Secured Creditors is deposited at the registered office of the Transferee Company situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 at least 48 hours before the commencement of the meeting.
6. Secured Creditors are requested to bring and hand over the enclosed Attendance Slip, duly filled and signed in accordance with their specimen signature(s) registered with the Transferee Company for admission to the meeting hall, accompanied by valid identity proof with photograph issued by any statutory/ government authority.
7. Route map and details of prominent landmark of the venue of the meeting is provided and forms part of the Notice.
8. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a secured creditor would be entitled to inspect the proxies lodged at any time during the business hours of the Transferee Company, provided that not less than 3 (three) days of notice in writing is given to the Transferee Company.
9. The quorum of the Meeting of the Secured Creditors of the Transferee Company shall 2 (Two). In case the quorum is not present in the Meeting at the scheduled time, then the Meeting shall be adjourned by half an hour, and thereafter, the person present at the Meeting shall be deemed to constitute the quorum.
10. Secured Creditors, as on the cut-off date, shall only be entitled to vote at the venue of Meeting on the resolution set forth in the Notice. It may be noted that the voting facility through ballot paper will be provided at the venue of the Meeting.
11. As directed by the Tribunal, Shri Mayank Bansal, Chartered Accountant has been appointed as scrutinizer for the said NCLT convened meeting of the Secured Creditors for conducting the poll process in a fair and transparent manner. The Scrutinizer will after the conclusion of meeting submit its report to the NCLT appointed Chairperson of the meeting.

Thereafter, as per Order of Hon'ble Tribunal, the Chairperson shall report the result of the meeting to the Hon'ble Tribunal within 2 weeks from the date of holding of the above said meeting with regard to proposed Scheme.

- 12.** The documents referred to in the accompanying Notice and Explanatory Statement and pursuant to applicable provisions, shall be open for inspection, without any fee, by the Secured Creditors of Transferee Company at its registered office between 10.00 am to 5.00 pm on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the NCLT convened meeting.
- 13.** The Notice convening the aforesaid NCLT convened meeting will be published through advertisement in (i) Business Standard (in Delhi Edition), an English language and (ii) Jansatta (in Delhi Edition) in Hindi language.

**EXPLANATORY STATEMENT UNDER SECTION 230 & SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE NCLT CONVENED MEETING OF THE SECURED CREDITORS OF LUMAX AUTO TECHNOLOGIES LIMITED**

Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, by Order dated May 14, 2019 and May 21, 2019 ("Order") in the Company Application referred to above, with respect to the Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme") has directed for convening a meeting of the Secured Creditors of Lumax Auto Technologies Limited ("NCLT convened meeting") on Friday, the 5<sup>th</sup> day of July, 2019 at 2:30 p.m. at Air Force Auditorium, Subroto Park, New Delhi- 110010 for the purpose of considering and if thought fit, approving, with or without modification(s), aforesaid Scheme of Merger.

1. The definitions contained in the Scheme will apply to this explanatory statement also.
2. A copy of the Scheme setting out in detail the terms and conditions of the Merger, *inter-alia*, providing for the proposed Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective shareholders and creditors, which has been approved by the Board of Directors of the Transferee Company at its meeting held on 21<sup>st</sup> December, 2018 is attached to this explanatory statement and forms part of this statement as **Annexure A-1**.
3. Lumax DK Auto Industries Limited bearing CIN U34300DL1997PLC087110 (hereinafter referred to as "the Transferor Company") is a Public Company, limited by shares incorporated under the provisions of the Companies Act, 1956 on 07<sup>th</sup> of May, 1997 under the name and style of "Lumax GHSP Industries Limited" with Registrar of Companies, NCT of Delhi and Haryana. Thereafter, name of the Transferor Company/ Applicant Company was changed to "Lumax DK Auto Industries Limited" and in this regard, fresh Certificate of Incorporation was issued by Registrar of Companies, NCT of Delhi and Haryana on 04<sup>th</sup> day of March, 2003. At present, the Transferor Company/ Applicant Company is having its registered office at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 within the jurisdiction of this Hon'ble Tribunal. Email: cao@lumaxmail.com. Pan No. AAACL2186P. The shares of the Transferor Company are not listed on any stock exchange in India.
4. Details of change of registered office of Transferor Company during the last five years on 4<sup>th</sup> day of December 2017, Registered office of the Lumax DK Auto Industries Limited has been change within State of NCT of Delhi from B-86, Mayapuri Industrial Area, Phase-I, New Delhi-110064 to 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nagal Raya, New Delhi-110046.
5. Details of change of objects of Transferor Company during the last five years on 11th July, 2014 by revising the Objects clauses as per Companies Act, 2013.
6. The share capital structure of the Transferor Company as on 31st March, 2019 is as follows:

| Particulars   | Amount (in Rs.)       |
|---|-----------------------|
| <b>Authorised Share Capital</b>                       |                       |
| 2,11,00,000 Equity Shares of Rs.10/- each             | 21,10,00,000/-        |
| <b>Total Authorised Share Capital</b>                 | <b>21,10,00,000/-</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b>   |                       |
| 42,40,313 Equity Shares of Rs.10/- each fully paid up | 4,24,03,130/-         |
| <b>Total Paid-up Share Capital</b>                    | <b>4,24,03,130/-</b>  |

7. The Transferor Company is engaged in the manufacturing of automotive components. That the main objects of the Transferor Company are set out in its Memorandum of Association and one of the main object of the Transferor Company is to carry on the business as manufacturers, producers, fabricators, assemblers, agents, dealers, stockists, suppliers, contractors, jobbers, wholesalers, retailers, stores and warehousemen, importers, exporters, repairers, hirers of parts and components, assemblies and sub-assemblies of transmission and braking systems including those needed, required or desired for acceleration, deceleration, engaging and disengaging the supply of power whether manually, mechanically, electrically or electronically, for all types of motor cars, motor buses, motor trucks, tractors, three wheelers, motor cycles, scooters, mopeds, other automotive vehicles usable on land, sea or air whether propelled or assisted by means of petrol, diesel oil, motor spirit gas, steam, electrical or animal power.



8. The details of the Directors of the Transferor Company as on 31<sup>st</sup> March, 2019 are as under:

| S. No. | Name of Directors      | Designation            | Address   |
|--------|------------------------|------------------------|---|
| 1.     | Mr. Dhanesh Kumar Jain | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 2.     | Mr. Deepak Jain        | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 3.     | Mr. Anmol Jain         | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 4.     | Mrs. Poysha Goyal Jain | Executive Director     | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 5.     | Mrs. Shivani Jain      | Executive Director     | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 6.     | Mr. Naval Khanna       | Non-Executive Director | BL-51, Anand Vihar Jail Road, Hari Nagar, New Delhi-110064                                  |
| 7.     | Mr. Dhiraj Dhar Gupta  | Non-Executive Director | 1, Under Hill Lane, Civil Lines, Delhi - 110054   |
| 8.     | Mr. Sanjay Mehta       | Non-Executive Director | Apartment No. 7 B, Belgravia Tower E, Central Park-2, Sector-48, Chakarapur, Gurgaon-122002 |

9. The details of the promoters of the Transferor Company as on 31<sup>st</sup> March, 2019 are as under:

| S. No. | Name of the Promoters           | Address   |
|--------|---------------------------------|---|
| 1.     | Lumax Auto Technologies Limited | 2 <sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 |

10. The Scheme has been approved unanimously by the Board of Directors of the Transferor Company at their meeting held on December 21, 2018. Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors      | Vote(favour /against/abstain from voting) |
|--------|------------------------|---|
| 1.     | Mr. Dhanesh Kumar Jain | Favour                                    |
| 2.     | Mr. Deepak Jain        | Favour                                    |
| 3.     | Mr. Anmol Jain         | Favour                                    |
| 4.     | Mrs. Poysha Goyal Jain | Favour                                    |
| 5.     | Mrs. Shivani Jain      | Favour                                    |
| 6.     | Mr. Dhiraj Dhar Gupta  | Leave of absence                          |
| 7.     | Mr. Naval Khanna       | Favour                                    |
| 8.     | Mr. Sanjay Mehta       | Favour                                    |

11. Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferor Company: Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.
12. Disclosure about the effect of the Scheme on the following persons of Transferor Company:

|                                      |   |
|--------------------------------------|---|
| Key managerial personnel(s)          | On the approval of the Scheme, Transferor Company will merge into Transferee Company and KMPs of Transferor Company will cease to hold their respective positions.            |
| Directors                            | On the approval of the Scheme, Transferor Company will merge into Transferee Company and Directors of Transferor Company No. 1 will cease to hold their respective positions. |
| Promoters and Non – promoter Members | The members including promoter members of the Transferor Company will cease to be the members of the Transferor Company,  |
| Depositors                           | No effect. There are no depositors  |

|                   |   |
|-------------------|---|
| Creditors         | No effect on the creditors. On the approval of the Scheme and with effect from the Appointed Date and subject to the provisions of Scheme of Merger, all creditors will be vested in and assumed by Transferee Company on the same terms and conditions, as before. |
| Deposit trustee   | No effect. There is no deposit trustee  |
| Debenture holders | No effect. There are no debenture holders   |
| Debenture trustee | No effect. There is no debenture trustee  |
| Employees         | No effect on the employees. On approval of the Scheme of Merger, and with effect from the Appointed Date all employees of the Transferor Company shall be deemed to have become the employees of Transferee Company.  |

13. **Lumax Auto Technologies Limited** bearing CIN L31909DL1981PLC349793(hereinafter referred to as “the Transferee Company”) is a listed public Company incorporated under the provisions of the Companies Act, 1956 on 30<sup>th</sup> day of October, 1981 under the name and style of “Lumax Auto Electricals Private Limited”. Thereafter, name of the Transferee Company was changed to “Dhanesh Auto Electricals Private Limited” and in this regard, a new certificate of incorporation was issued by Registrar of Companies, Bombay, Maharashtra on 02<sup>nd</sup> day of November, 1988. Thereafter, the Transferee Company was converted into Public Company i.e. “Dhanesh Auto Electricals Limited” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 30th day of May, 2002. Thereafter again, name of the Transferee Company was changed to “Lumax Auto Technologies Limited” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 02<sup>nd</sup> day of August, 2006. Further again, the registered office of the Transferee Company was shifted from State of Maharashtra in Pune to NCT of Delhi and Haryana vide order passed by the Regional Director (Western Region) dated April 23, 2019. Therefore, at present, the registered office of the Transferee Company is situated at 2<sup>nd</sup> Floor, Harbons Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046. Email: shares@lumaxmail.com. Pan No. AAACD4090Q. The equity shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

14. Details of change of registered office of Transferee Company during the last five years-

The registered office of the Transferee Company was shifted from State of Maharashtra in Pune to NCT of Delhi and Haryana vide order passed by the Regional Director (Western Region) dated April 23, 2019. Therefore, at present, the registered office of the Transferee Company is situated at 2<sup>nd</sup> Floor, Harbons Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046 within the jurisdiction of this Hon’ble NCLT.

15. Details of change of objects of Transferee Company during the last five years on 4th February, 2015 by adding clause 6 -To carry on business of manufacturer, importer, exporter, trader of and deal with all kinds of electronics systems Design and manufacturing(ESDM) products including automotive electronics, solar photovoltaic, consumer electronics, set top boxes, avionics, telecom, Light Emitting Diodes, electronics components and other allied goods .

16. The share capital structure of the Transferee Company as on 31<sup>st</sup> March 2019 is as follows:

| Particulars   | Amount (in Rs.)       |
|---|-----------------------|
| <b>Authorised Share Capital</b>                     |                       |
| 7,50,00,000 Equity Shares of Rs. 2/- each.          | 15,00,00,000/-        |
| <b>Total Authorised Share Capital</b>               | <b>15,00,00,000/-</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                       |
| 6,81,57,705 Equity Shares of Rs. 2/- each.          | 13,63,15,410/-        |
| <b>Total Paid-up Share Capital</b>                  | <b>13,63,15,410/-</b> |

17. The Transferee Company is engaged in the manufacturing of automotive components. That the main object of the Transferee Company is set out in its Memorandum of Association and one of the main object of the Transferee Company is to carry on the business of manufacturers of, dealer in, importers and exporters, hirers, repairers, cleaner, stores, and

warehouses of Automobile parts, agricultural implements and their Ancillaries (including motor cars, trucks, buses, tractor, dozers, road rollers, motor cycles, cycle cars, motors, scooters, bicycles, carriages and conveyance parts and ancillaries) whether propelled or assisted by means of petrol motor spirit, steam, gas, diesel oil, electrical, animal or other power.

18. Details of Directors of the Transferee Company as on 31<sup>st</sup> March 2019 are as under:

| S. No. | Name of Directors      | Designation            | Address  |
|--------|------------------------|------------------------|--|
| 1.     | Dhanesh Kumar Jain     | Executive Chairman     | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 2.     | Anmol Jain             | Managing Director      | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 3.     | Deepak Jain            | Non-Executive Director | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 4.     | Sanjay Mehta           | Non-Executive Director | Apartment No. 7 B, Belgravia Tower-E, Central Park-2, Sector-48, Chakarpur, Gurgaon-122002           |
| 5.     | Arun Kumar Malhotra    | Independent Director   | E Tower - 802, the Plum Springs Golf Course Road, Sector 54 Sikanderpur, Ghosi(68), Gurgaon - 122002 |
| 6.     | Avinash Parkash Gandhi | Independent Director   | C-2/14, Safdarjung Development Area, New Delhi-110016  |
| 7.     | Roop Salotra           | Independent Director   | C-145, Sarvodaya Enclave, New Delhi-110017   |
| 8.     | Milap Jain             | Independent Director   | Flat No. C - 802, Prateek Stylome, Sector - 45, Noida, Gautam Buddha Nagar, Noida-201301             |
| 9.     | Kanchan Kumar Gandhi   | Independent Director   | A-4/503, Ekta Garden Apartments, 9, I.P. Extension Patparganj, Shakarpur, East Delhi - 110092        |
| 10.    | Diviya Chanana         | Independent Director   | D-79, Gulmohar Park, New Delhi - 110049  |

19. Details of Promoters of the Transferee Company as on 31<sup>st</sup> March 2019 are as under:

| S. No. | Name               | Address  |
|--------|--------------------|--|
| 1.     | Dhanesh Kumar Jain | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |
| 2.     | Deepak Jain        | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |
| 3.     | Anmol Jain         | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |

20. The Scheme has been approved unanimously by the Board of Directors of the Transferee Company at their meeting held on December 21, 2018. Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors      | Vote(favour/against/abstain from voting) |
|--------|------------------------|--|
| 1.     | Dhanesh Kumar Jain     | Favour                                   |
| 2.     | Deepak Jain            | Favour                                   |
| 3.     | Anmol Jain             | Favour                                   |
| 4.     | Arun Kumar Malhotra    | Favour                                   |
| 5.     | Avinash Parkash Gandhi | Favour                                   |
| 6.     | Diviya Chanana         | Leave of absence                         |
| 7.     | Sanjay Mehta           | Favour                                   |
| 8.     | Roop Salotra           | Leave of absence                         |
| 9.     | Milap Jain             | Favour                                   |
| 10.    | Kanchan Kumar Gandhi   | Favour                                   |

18. Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferee Company: Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.
19. Disclosure about the effect of the Scheme on the following persons of Transferee Company:

|                                      |   |
|--------------------------------------|---|
| Key managerial personnel(s)          | No effect                                 |
| Directors                            | No effect                                 |
| Promoters and Non – promoter Members | No effect                                 |
| Depositors                           | No effect. There is no depositors         |
| Creditors                            | No effect                                 |
| Deposit trustee                      | No effect. There is no deposit trustee    |
| Debenture holders                    | No effect. There are no debenture holders |
| Debenture trustee                    | No effect. There is no debenture trustee  |
| Employees                            | No effect                                 |

21. **Relationship between parties, Rationale and Salient Features of the Scheme:**

a. **Relationship between the Companies:**

The Lumax DK Auto Industries Limited (Transferor Company) is wholly owned subsidiary of Lumax Auto Technologies Limited (Transferee Company).

b. **Rationale of the Scheme:**

- Achieving business and Administrative synergies.
- Consolidation and simplification of the group structure, cost savings resulting from rationalization, standardization and simplification of business processes and the elimination of duplication, and rationalization of administrative expenses, reduction in regulatory & legal compliances.
- Improved organizational capability arising from pooling of financial resources.
- Diversified portfolio in Manufacturing Business.
- Maximize the overall Shareholders' value by strengthening its core competencies and achieving economies of scale.
- The merger will improve the management of the Transferee Company by combining the legal entities and will reduce expenditure by eliminating administrative functions and multiple record keeping.

c. **Salient Features of the Scheme:**

The salient features of the Scheme are as follows:

1.3 **DEFINITIONS**

*In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:*

- “The Act” means the Companies Act, 2013 along with Rules Framed thereunder or any statutory amendment and/or re-enactment thereof, from time to time and for the time being in force.*
- “The Appointed Date” for the purpose of this Scheme and for Income Tax Act, 1961, the “Appointed Date” means 1<sup>st</sup> April, 2018.*
- “Board of Directors” or “Board” means the Board of Directors of the Transferor Company and/ or the Transferee Company, as the case may be, and shall unless it is repugnant to the context or otherwise, include a duly constituted Committee of Directors of the respected companies for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matters in relation thereto.*
- “Legal Proceedings” means any proceedings taken by and/or against the Transferor Company in any Court/ Tribunal/ Forum/ Authority, as pending on the Appointed Date*
- “SEBI” means Securities and Exchange Board of India established under the Securities Exchange Board of India Act, 1992.*

- f) "SEBI Circular" means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI applicable to the Schemes from time to time.
- g) "Scheme" or "This Scheme" or "the Scheme" or "Scheme of Merger" or "Scheme of Merger by way of Absorption" means the present Scheme of Merger by way of Absorption framed under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Rules framed thereunder as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as submitted in the present form or with any modification(s) imposed or directed by Shareholders / Creditors of the respective Transferor Company and Transferee Company and/or by the Hon'ble NCLT or by any competent authority(ies).
- h) "Stock Exchanges" means BSE Limited and National Stock Exchange of India Limited.
- i) "The Transferor Company" means Lumax DK Auto Industries Limited, is as explained in Preamble Clause (A) 1 of the Scheme.
- j) "The Transferee Company" means Lumax Auto Technologies Limited, is as explained in Preamble Clause (A) 2 of the Scheme.
- k) "Law" or "Applicable Law" includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, Tribunal, Court of India or any other country or jurisdiction as applicable.
- l) "National Company Law Tribunal" or "NCLT" or "Hon'ble Tribunal" means the Hon'ble National Company Law Tribunal at Mumbai having jurisdiction in relation to the Transferee Company and Hon'ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company.
- m) "National Company Law Appellate Tribunal" or "NCLAT" or "Hon'ble NCLAT" means the Hon'ble National Company Law Appellate Tribunal at New Delhi.
- n) "ROC" or "Registrar of Companies" means the Registrar of Companies, Pune having jurisdiction over the Transferee Company and Registrar of Companies, NCT of Delhi and Haryana having jurisdiction over the Transferor Company.
- o) "The Effective Date" in relation to the scheme, means last of the dates on which the certified copy of the order of Hon'ble National Company Law Tribunal sanctioning the Scheme of Merger are filed by the Transferor Company and the Transferee Company with the respective Registrar of Companies.

Any references in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "Scheme taking effect" shall mean the Effective Date.

- p) "Undertaking" in relation to the Transferor Company, shall mean the entire Business of Transferor Company on a going concern basis as on appointed date.
- q) "IT Act" means the Income Tax Act, 1961, as amended from time to time.

All terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable law (as defined above), rules, regulations, bye-laws, as the case may be including any statutory modification or re-enactment thereof from time to time.

References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.

In this Scheme, where the context so requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

## **PART-II**

### **TRANSFER AND VESTING OF UNDERTAKINGS OF THE TRANSFEROR COMPANY IN TO THE TRANSFEE COMPANY**

- 2.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the entire business and the undertakings of the Transferor Company including without limitation, all the movable and immovable properties & assets, liabilities, losses, duties, obligations, including those arising on account of taxation laws and other allied laws, reserve & surplus including Securities Premium Account shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company pursuant to the sanction of this Scheme by the Hon'ble NCLT and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the Income-Tax Act, 1961, as a going concern, without any further act, instrument, deed, matter or thing to be made, done or executed.

2.2 *With effect from the commencement of business on the Appointed Date and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, entire undertaking along with business and all properties whether moveable or immovable or tangible or intangible wherever situated and also all other assets, capital, work-in-progress, current assets, movable assets, all investments in India or out of India, if any, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, all licenses viz. business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, Know – how, Service marks, trade secrets, brands, copy rights, patents, quota rights, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures subsidies, capital subsidies, concessions, exemptions, Government Incentives, sales tax, Goods and Service Tax exemptions, approvals, clearances, environmental clearances, occupancy certificate, approval from fire department, approval for water, electricity and sewerage, approval from irrigation department, approval from underground water authority, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, Computer Software/ licenses, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as “the said assets”) shall, without any further act, instrument or deed and without payment of any duty or other charges, be transferred to and vested in the Transferee Company as a going concern pursuant to the applicable provisions of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company.*

2.3 *Without prejudice to the generality of Clauses 2.1 and 2.2 above, upon occurrence of the Effective Date, the Transferor Company shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date.*

#### **2.4 TRANSFER OF ASSETS**

2.4.1 *All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.*

2.4.2 *Without prejudice to the provisions of Clause 2.4.1, it is expressly provided that in respect of such of the said assets and properties of the undertaking as are movable in nature or incorporeal property or are otherwise capable of being transferred by physical delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the Hon'ble NCLT or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the integral part of the Undertaking and property of the Transferee Company accordingly.*

2.4.3 *In respect of movables other than those dealt with in Clause 2.4.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.*

2.4.4 *All The assets and properties as on the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties, which are/if any, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.*

2.4.5 *For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, quotas, liberties, special status, certificates, clearances, authorities, powers of attorney, tax deferrals and all other benefits and privileges enjoyed or conferred upon or held or availed of by the Transferor Company or issued to or executed in favor of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.*

2.4.6 *For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, if any, including all the leases, of the Transferor Company shall without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.*



## **2.5 TRANSFER OF LIABILITIES**

- 2.5.1 *In accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Upon coming into effect of this Scheme, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.*
- 2.5.2 *All debts, liabilities, guarantees, indemnities, contingent liabilities, disputed liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statements of the Transferor Company and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company by virtue of the Scheme, so as to become as and from the Appointed Date, the debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of the Transferee Company.*
- 2.5.3 *Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.*
- 2.5.4 *Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.*
- 2.5.5 *To the extent there are inter-corporate loans, liabilities, duties, debts and claims (including deferred tax liabilities and contingent liabilities) if any, due or which may hereafter become due, between the Transferor Company and the Transferee Company or vice versa, the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such loans, liabilities, duties, debts and claims (including receivables), due or which may hereafter become due, between the Transferee Company on the one hand and the Transferor Company on the other hand.*
- 2.5.6 *Any loans, advances and other facilities sanctioned to the Transferor Company by their bankers and financial institutions from the Appointed Date till the Effective Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.*

## **2.6 ENCUMBRANCES**

- 2.6.1 *The transfer and vesting of the Undertaking to and in Transferee Company shall be subject to the existing securities, mortgages, charges, hypothecation, encumbrances or liens, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Company.*
- 2.6.2 *All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.*

## **2.7 TREATMENT OF TAXES**

- 2.7.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax, Goods and Services Tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including advance tax and tax deducted at source) as on the date immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.
- 2.7.2 All taxes including Income Tax, Wealth Tax, Minimum Alternate Tax, Service Tax, Sales Tax, Goods and Services Tax and all other statutory taxes, if any, paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date shall be on account of the Transferor Company, and in so far as it relates to the payment of taxes (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 2.7.3 Any refunds, input credits, benefits, incentives, grants, subsidies etc. under the Income Tax Act, 1961, the Goods and Services Tax Act, 2017 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 2.7.4 All taxes, benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales tax, Service tax, Goods and Services tax etc. or any tax deduction/ collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to NCLT. The benefit of all taxes paid including minimum alternate tax under Income Tax Act, unabsorbed depreciation, carry forward of losses as well as set-off of losses thereof shall be available to the Transferee Company as would have been available to the Transferor Company upon the sanction of the scheme by the NCLT.
- 2.7.5 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, Value added Tax, Goods and Service Tax etc., to which the respective Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 2.7.6 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, such tax proceedings/appeals shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, as the case may be. These proceedings/appeals shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation (i.e. merger by way of absorption) of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 2.7.7 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant labour laws, Income tax, sales tax including value added tax, service tax, Goods and Services Tax, Wealth tax and other applicable tax laws, and to claim refunds and/ or credits for dues and/ or taxes paid and/ or depreciation benefits, if any, as may be required consequent to implementation of this Scheme.

## **3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 3.1 Subject to the provisions of this Scheme, all contracts, deeds, bonds, schemes, agreements, arrangements and other instruments of whatsoever nature (including all tenancies, leases, licenses and other assurances in favour of any of the Transferor Company or powers or authorities granted by or to any of the Transferor Company), to which the Transferor Company is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favor of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.



- 3.2 *Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the secured creditors of the Transferor Company or in favor of any other party to any contract or arrangement to which any of the Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement and carry out all such formalities or compliance referred to above on the part/benefit of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.*
- 3.3 *Any inter-se contracts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Transaction(s), if any, between the Transferor Company and Transferee Company after the Appointed Date and until the Effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.*

#### **4. LEGAL PROCEEDINGS AND OTHER RESOLUTIONS**

- 4.1 *All legal proceedings of whatsoever nature by or against the Transferor Company pending at the Effective Date, shall not be abated or discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, and enforced by or against the Transferor Company as if the Scheme had not been made.*
- 4.2 *The resolutions, including resolutions passed under Section 180(1)(a), Section 180(1)(c) and Section 186 of the Act, if any, of the Transferor Company, which are valid and subsisting on the effective date, shall, mutatis mutandis, continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and where such resolutions have any upper monetary or other limit(s) being fixed under the provisions of the Act or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.*
- 4.3 *Upon the Scheme becoming effective, all the Directors of the Transferor Company shall cease to hold office as Directors thereof with effect from the Effective date. However, on the Scheme becoming effective, and having regard to the expertise and their involvement in the affairs of the Transferor Company and for ensuring smooth transition and integration of the business of Transferor Company, both the executive directors of the Transferor Company shall be inducted as employees of the Transferee Company, on same amount of the remuneration payable to each of them as on 31 March, 2019 for the remaining period of their tenure, and thereafter the said remuneration will be revised as may be considered appropriate by the Board from time to time and it is clarified herein that approval of the Scheme by the Audit Committee, Board and Shareholders of the Transferee Company shall be deemed to be the approval under Section 188(1)(f) of the Act and thus, no separate resolution or approval under the Act shall be required to pass for their appointment and terms of appointment in the Transferee Company.*

#### **5. DISSOLUTION OF TRANSFEROR COMPANY**

*On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up.*

#### **6. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANY**

- 6.1 *All the employees of the Transferor Company who are in its permanent employment, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the permanent employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions as to employment and remuneration not less favorable than those subsisting in the concerned Transferor Company on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall be continued to be governed by their existing agreements and terms and conditions of their employment. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).*
- 6.2 *Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming effective, the name of Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. With effect from the date of filing of this Scheme with the Hon'ble NCLT and till the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of their respective employees, except with the written consent of the Transferee Company.*

## **7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFEREE COMPANY**

7.1 *With effect from the Appointed Date until the Effective Date, the Transferor Company-*

7.1.1 *Shall possess of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.*

7.1.2 *Shall carry on and shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges, expenses or losses (including taxes) arising or incurred or suffered by the Transferor Company shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or losses (including taxes), as the case may be, of the Transferee Company.*

7.2 *Any corporate action by Transferor Company on or after the Appointed Date until the Effective Date shall, upon the Scheme becoming effective, be treated as having been taken by the Transferee Company without any further application, act or deed etc. and shall be dealt with accordingly.*

7.3 *Till such time, the names of the Bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary.*

7.4 *Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.*

7.5 *Notwithstanding anything contained in sub-clause '7.1' to '7.4' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses till the Merger is effective.*

## **8. CONSIDERATION**

8.1 *Upon the Scheme being sanctioned by the Hon'ble Tribunal, there will be no issue and allotment of any shares by the Transferee Company in consideration of Merger of the Transferor Company with the Transferee Company as the Transferor Company is wholly owned subsidiary Company of the Transferee Company and the entire paid up share capital of the Transferor Company is held by Transferee Company along with Nominees of Transferee Company. All equity shares held by the Transferee Company and its Nominee(s) in the Transferor Company shall be cancelled and extinguished as on the Appointed Date.*

8.2 *Upon the scheme becoming effective, entire issued, subscribed and paid-up equity share capital of Transferor Company shall, ipso facto, without any further application, act, deed or instrument stand extinguished and cancelled and no new shares of the Transferee Company will be issued or allotted with respect to the equity shares held by the Transferee Company and its nominee in the Transferor Company.*

8.3 *The Transferee Company undertakes not to transfer any of the shares held by it of the Transferor Company till the merger is completed.*

8.4 *The Transferor Company undertakes not to increase its share capital by issuing shares to any entity other than Transferee Company till Merger is completed.*

8.5 *Upon the scheme becoming effective, share certificates and/or the shares in electronic form representing the shares held by the Transferee Company (including its Nominees) in the Transferor Company shall be cancelled without any further application, act, instrument or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.*

## **9. UPON THIS SCHEME BECOMING EFFECTIVE**

9.1 *Entire issued share capital of the Transferor Company both in electronic form and in the physical form, as the case may be, shall automatically stand cancelled.*

9.2 *The Authorized Share Capital of the Transferor Company shall get merged to form new Authorized Share Capital of the Transferee Company and thereafter, the Authorised Share Capital of the Transferee Company shall stand increased to that extent without any further act, deed and the fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.*

9.3 *Accordingly, the Capital Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed be replaced by the following Clause:*

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

*Further, Article 4 (a) of the Articles of Association of the Transferee Company shall, without any further act or deed be replaced by the following:*

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty-Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

- 9.4 *It is clarified that the consent and approval of the Scheme by the shareholders and/ or creditors of the Transferee Company shall be deemed to be sufficient for the purpose of effecting the Alteration of the Memorandum of Association and Articles of Association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and no further resolution(s) under the applicable provisions of the Act, would be required to be separately passed, nor any registration fee, stamp duty, etc. shall be payable by the Transferee Company. The Transferee Company shall file amended copy of Memorandum & Articles of Association with the concerned Registrar of Companies.*
- 9.5 *On this Scheme becoming effective, the shareholders and Creditors, wherever applicable, if any, of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme and no separate resolution under the Act shall be required to pass.*

## **10. ACCOUNTING TREATMENT**

- 10.1 *Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the merger shall be accounted in the books of accounts of the Transferee Company in accordance with applicable Indian Accounting Standard (Ind-AS) as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India as applicable on Effective Date.*
- 10.2 *It is further clarified that the excess of the Assets and Liabilities transferred to the Transferee Company would be credited to the ‘Capital Reserve Account’ and the shortfall of the Assets and Liabilities transferred to the Transferee Company would be debited to General Reserve, if any, of the Transferee Company.*
- 10.3 *Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the merger by way of absorption.*
- 10.4 *If there is any difference in accounting policies of the Transferor Company and that of the Transferee Company, the impact of the same till the Appointed date will be quantified and same shall be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.*

## **11. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

- 11.1 *Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company.*
- 11.2 *If any such resolutions have any monetary or other limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, imposed under the like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.*

### **PART-III**

## **12. CONDITIONALITY OF SCHEME AND OPERATIVE/ EFFECTIVE DATE OF THE SCHEME**

- 12.1 *This Scheme is and shall be conditional upon and subject to:*
- a. *Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;*
  - b. *The scheme being approved by the requisite majorities in number and value of such classes of members (as may be applicable) and/or creditors (wherever applicable), of the Transferor Company and the Transferee Company as may directed by Hon’ble NCLT.*
  - c. *The approval or sanction of the Hon’ble NCLT under Sections 230 to 232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.*
  - d. *The certified/ authenticated copies of the orders of the Hon’ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and the Transferee Company with the Registrar of Companies.*

- e. *The requisite approvals, sanctions, permissions or consents of any Governmental Authority or any statutory or regulatory authorities as may be required by law for the implementation of Scheme.*

### **13. APPROVAL OF SEBI AND STOCK EXCHANGES**

*In view of the SEBI Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated February 15, 2017 and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of merger of wholly owned subsidiaries with their Parent Company shall be filed with the Stock Exchanges for the purpose of disclosures and stock exchange shall disseminate the scheme documents on their website. The Transferee Company undertakes to comply with requirement of aforesaid and all other applicable SEBI Notification/ Circular.*

### **14. APPLICATION TO HON'BLE NCLT**

*The Transferor Company and the Transferee Company shall make application under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act to the Hon'ble NCLT where the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme and for the dissolution of the Transferor Company without winding-up and other concerned matters.*

### **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 15.1 *The Transferor Company and the Transferee Company through their respective Board of Directors or any Director/Executives or any committee authorized in that behalf (hereinafter referred to as the "Delegate") may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble NCLT and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.*
- 15.2 *In order to give effect to this Scheme or to any modification(s) or amendments or addition(s) thereof, the Board of Directors/ delegates of the Transferee Company may give and is authorized to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.*

### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

*In the event of this Scheme failing to take effect, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or employees or any other person. Each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.*

### **17. COST CHARGES AND EXPENSES CONNECTED WITH THE SCHEME**

*All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation (i.e. merger by way of absorption) of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company only. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates, other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc.*

### **18. SEVERABILITY**

*If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts/provisions of the scheme.*

**THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF MERGER. YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF MERGER TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.**

### **22. Submissions, Approvals and Other Information, Summary of Valuation Report and Fairness Opinion etc.**

- a. *The Proposed Scheme was placed before the Board of Directors of the Transferee Company on December 21, 2018 and was approved.*
- b. *Valuation Report and Fairness Opinion is not applicable, since, Transferor Company is wholly owned subsidiary of the Transferee Company, the entire equity share capital of Transferor Company shall stand cancelled and hence no new equity shares will be allotted by the Transferee Company post-sanction of the proposed Scheme of Merger.*
- c. *Pursuant to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Regulation 37 of SEBI LODR Regulations, the Transferee Company has filed the draft scheme with BSE and NSE on 24.12.2018 and specific approval of the stock exchanges is not required in case of merger of wholly-owned subsidiary with its holding company.*



- d. On the Scheme being approved by the requisite majority of the Shareholders, the Transferee Company and Transferor Company shall file a joint petition with the Hon'ble NCLT, Principal Bench at New Delhi for sanction of the Scheme under Sections 230 to 232 of the Companies Act, 2013.

**23. Directors, Promoters and Key Managerial Personnel (KMP):**

- a. The directors of the Transferor Company and the Transferee Company and relatives of the aforementioned persons may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies.
- b. Key Managerial Personnel (KMPs) other than Directors and their relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme.
- c. Save as aforesaid, none of the Directors and KMPs of the Transferor Company and the Transferee Company and their relatives have any material concern or interest, financial and / or otherwise in the Scheme.

**24. General:**

- a. To the knowledge of Transferor Company and Transferee Company, there is no petition pending for winding up of the any of the Company and there is no investigation or proceedings, if any pending against any of the Company.
- b. The Scheme also does not propose any capital or debt restructuring or any compromise or arrangement with the creditors of the Transferor Company and/ or the Transferee Company.
- c. It is confirmed that the copy of the Scheme, as approved by Board, has been filed with the concerned Registrar of Companies.
- d. In compliance with the requirement of Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, notice in the prescribed form and seeking approvals, sanctions or no-objections shall be served to the concerned regulatory and government authorities.
- e. Amount due to unsecured creditors -
  - Transferor Company - Rs. 43,73,94,615
  - Transferee Company- Rs. 1,33,04,10,153

**25. The Scheme is conditional upon and subject to the followings:**

- a. Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;
- b. the Scheme being approved by the requisite majorities in number and values of the such classes of members (as may be applicable) and/ or creditors (wherever applicable) of the Transferor Company and Transferee Company as may be directed by the NCLT;
- c. the Approval or sanction of the Hon'ble NCLT under Sections 230-232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.
- d. the certified / authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and Transferee Company with the Registrar of Companies.
- e. All other approvals, sanctions or consents of any Governmental Authority or any statutory authorities as may be required by law for the implementation of Scheme being obtained.

**26. Copy of the notice(s) issued to the secured creditors of the Transferee Company, the Scheme of Merger and Explanatory Statement under Section 230 of the Companies Act, 2013 have been placed on the website of the Transferee Company at [www.lumaxautotech.com](http://www.lumaxautotech.com).**

**27. The following documents will be open for inspection at its registered office between 11.00 am to 5.00 pm on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting:**

- a. Copy of the Company Application No. CA (CAA) 76 (PB)/ 2019, Company Application CA (CAA) No. 19/PB/2019 and Company Application CA- 959 (PB)/ 2019;
- b. Copy of the Order dated 14<sup>th</sup> Day of May, 2019 and 21<sup>st</sup> day of May, 2019 of the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi passed in the above Company Applications;

- c. Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
- d. Latest audited Financial Statement of the Transferee Company and Transferor Company for the period ended March 31, 2018;
- e. Copy of Supplementary Unaudited Accounting Statement of the Transferor Company and Transferee Company for the period ended December 31, 2018;
- f. Copy of Scheme of Merger;
- g. Certificate issued by the auditors of the Transferor Company and Transferee Company to the effect that the accounting treatment, if any proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of Companies Act, 2013;

**Sd/-**

**Dated:** 27th day of May, 2019

**Place:** New Delhi

Ajay Bhagwati

**Chairperson appointed for the meeting**

**Registered Office of the Company:**

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

**SCHEME OF MERGER**  
**(BY WAY OF ABSORPTION)**  
**OF**  
**LUMAX DK AUTO INDUSTRIES LIMITED**  
**(Transferor Company)**  
**WITH**  
**LUMAX AUTO TECHNOLOGIES LIMITED**  
**(Transferee Company)**  
**AND**  
**THEIR RESPECTIVE CREDITORS AND SHAREHOLDERS**  
**UNDER**  
**SECTIONS 230 to 232 AND ANY OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013 AND**  
**RULES MADE THEREUNDER**

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## INTRODUCTION

This Scheme of Merger (“**Scheme**”) provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Scheme is carved out into following parts:

- (i) **Preamble**- Background and Description of Companies.
- (ii) **Part I**–Definitions and Share Capital.
- (iii) **Part II**– Merger of the Transferor Company with the Transferee Company
- (iv) **Part III**- General Terms and Conditions applicable to this Scheme.

### PREAMBLE

#### **(A) BACKGROUND AND DESCRIPTION OF TRANSFEROR COMPANY & TRANSFEE COMPANY**

1. **LUMAX DK AUTO INDUSTRIES LIMITED** (CIN: U34300DL1997PLC087110) (hereinafter referred to as “the Transferor Company”) is a public Company, limited by shares incorporated under the provisions of the Companies Act, 1956 on 07<sup>th</sup> of May, 1997 under the name and style of “**Lumax GHSP Industries Limited**” with Registrar of Companies, NCT of Delhi and Haryana. Thereafter, name of the Transferor Company was changed to “**Lumax DK Auto Industries Limited**” and in this regard, fresh Certificate of Incorporation was issued by Registrar of Companies, NCT of Delhi and Haryana on 04<sup>th</sup> day of March, 2003. At present, the Transferor Company is having its registered office situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 within the jurisdiction of Hon’ble NCLT, New Delhi. As per Memorandum of Association of Transferor Company, one of the main objects of the Transferor Company to carry on the business as manufacturers, producers, fabricators, assemblers, agents, dealers, stockists, suppliers, contractors, jobbers, wholesalers, retailers, stores and warehouse, importers, exporters, repairers, hirers of parts and components, assemblies and sub-assemblies of transmission and braking systems including those needed, required or desired for acceleration, deceleration, engaging and disengaging the supply of power whether manually, mechanically, electrically or electronically, for all types of motor cars, motor buses, motor trucks, tractors, three wheelers, motor cycles, scooters, mopeds, other automotive vehicles usable on land, sea or air whether propelled or assisted by means of petrol, diesel oil, motor spirit gas, steam, electrical or animal power.

The details of Directors of Transferor Company are as under:

| S. No. | Name               | DIN      | Category               |
|--------|--------------------|----------|------------------------|
| 1.     | Dhanesh Kumar Jain | 00085848 | Non-Executive Director |
| 2.     | Deepak Jain        | 00004972 | Non-Executive Director |
| 3.     | Anmol Jain         | 00004993 | Non-Executive Director |
| 4.     | Poysa Goyal Jain   | 00005026 | Executive Director     |
| 5.     | Shivani Jain       | 00005018 | Executive Director     |
| 6.     | Naval Khanna       | 00110584 | Non-Executive Director |
| 7.     | Dhiraj Dhar Gupta  | 01089718 | Non-Executive Director |
| 8.     | Sanjay Mehta       | 06434661 | Non-Executive Director |

2. **LUMAX AUTO TECHNOLOGIES LIMITED** (CIN: L31909MH1981PLC025519) (hereinafter referred to as “the Transferee Company”) is a listed public Company incorporated under the provisions of the Companies Act, 1956 on 30<sup>th</sup> day of October, 1981 under the name and style of “**Lumax Auto Electricals Private Limited**”. Thereafter, name of the Transferee Company was changed to “**Dhanesh Auto Electricals Private Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Bombay, Maharashtra on 02<sup>nd</sup> day of November, 1988. Thereafter, the Transferee Company was converted into Public Company i.e. “**Dhanesh Auto Electricals Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 30<sup>th</sup> day of May, 2002. Thereafter again, name of the Transferee Company was changed to “**Lumax Auto Technologies Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 02<sup>nd</sup> day of August, 2006. At present, the registered office of the Transferee Company is situated at Plot No.70, Sector No. 10, PCNTDA, Bhosari, Pune, Maharashtra-411026 within the jurisdiction of Hon’ble NCLT, Mumbai. As per Memorandum of Association of the Transferee Company, some of the main objects of the Transferee Company is to carry on the business manufacturers of, dealer in, importers and exporters, hirers, repairers, cleaner, stores, and warehouses of Automobile parts, agricultural

implements and their Ancillaries (including motor cars, trucks, buses, tractor, dozers, road rollers, motor cycles, cycle cars, motors, scooters, bicycles, carriages and conveyance parts and ancillaries) whether propelled or assisted by means of petrol motor spirit, steam, gas, diesel oil, electrical, animal or other power.

The details of Directors of Transferee Company are as under:

| S. No. | Name                   | DIN      | Category               |
|--------|------------------------|----------|------------------------|
| 1.     | Dhanesh Kumar Jain     | 00085848 | Executive Chairman     |
| 2.     | Anmol Jain             | 00004993 | Managing Director      |
| 3.     | Deepak Jain            | 00004972 | Non-Executive Director |
| 4.     | Sanjay Mehta           | 06434661 | Non-Executive Director |
| 5.     | Arun Kumar Malhotra    | 00132951 | Independent Director   |
| 6.     | Avinash Parkash Gandhi | 00161107 | Independent Director   |
| 7.     | Roop Salotra           | 06650145 | Independent Director   |
| 8.     | Milap Jain             | 06738071 | Independent Director   |
| 9.     | Kanchan Kumar Gandhi   | 08165876 | Independent Director   |
| 10.    | Diviya Chanana         | 00737160 | Independent Director   |

3. The Transferor Company is wholly owned subsidiary of the Transferee Company. The Equity Shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

**(B) OBJECTIVE AND RATIONALE FOR THE PROPOSED SCHEME:**

It is proposed to consolidate the operations/business of the Transferor Company and the Transferee Company into a single Company by Merger of the Transferor Company with the Transferee Company pursuant to a Scheme of Merger (by way of Absorption) under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder. The Merger of the Transferor Company with the Transferee Company would result, *inter-alia*, in the following benefits:

- a. Achieving business and Administrative synergies.
- b. Consolidation and simplification of the group structure, cost savings resulting from rationalization, standardization and simplification of business processes and the elimination of duplication, and rationalization of administrative expenses, reduction in regulatory & legal compliances.
- c. Improved organizational capability arising from pooling of financial resources.
- d. Diversified portfolio in Manufacturing Business.
- e. Maximize the overall Shareholders' value by strengthening its core competencies and achieving Economies of Scale.
- f. The Merger will improve the management of the Transferee Company by combining the legal entities and will reduce expenditure by eliminating administrative functions and multiple record keeping.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the Merger/amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the Companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Merger for the transfer and vesting of entire undertaking and business of Transferor Company with and into Transferee Company, pursuant to provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

**(C) PARTS OF THE SCHEME:**

This Scheme is divided into the following parts:

1. **PART I** – This part deals with the Definitions of the terms used in the Scheme and Share Capital of the Transferor Company and Transferee Company.
2. **PART II** – This part provides for Merger of Lumax DK Auto Industries Limited (hereinafter referred to as “**the Transferor Company**”) with Lumax Auto Technologies Limited (hereinafter referred to as “**the Transferee Company**”).

3. **PART III** – This part deals with General Terms and Conditions applicable to this Scheme.
- (D) The Merger of the Transferor Company with the Transferee Company pursuant to and in accordance with the Scheme shall be operational with effect from the Appointed Date and shall be in compliance with the relevant provisions of the Income Tax Act, 1961.

## PART I

### DEFINITIONS & SHARE CAPITAL

#### 1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a) **“The Act”** means the Companies Act, 2013 along with Rules Framed thereunder or any statutory amendment and/or re-enactment thereof, from time to time and for the time being in force.
- b) **“The Appointed Date”** for the purpose of this Scheme and for Income Tax Act, 1961, the “Appointed Date” means 1<sup>st</sup> April, 2018.
- c) **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company and/ or the Transferee Company, as the case may be, and shall unless it is repugnant to the context or otherwise, include a duly constituted Committee of Directors of the respected companies for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matters in relation thereto.
- d) **“Legal Proceedings”** means any proceedings taken by and/or against the Transferor Company in any Court/Tribunal/Forum/Authority, as pending on the Appointed Date
- e) **“SEBI”** means Securities and Exchange Board of India established under the Securities Exchange Board of India Act, 1992.
- f) **“SEBI Circular”** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI applicable to the Schemes from time to time.
- g) **“Scheme” or “This Scheme” or “the Scheme” or “Scheme of Merger” or “Scheme of Merger by way of Absorption”** means the present Scheme of Merger by way of Absorption framed under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Rules framed thereunder as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as submitted in the present form or with any modification(s) imposed or directed by Shareholders / Creditors of the respective Transferor Company and Transferee Company and/or by the Hon’ble NCLT or by any competent authority(ies).
- h) **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited.
- i) **“The Transferor Company”** means **Lumax DK Auto Industries Limited**, is as explained in Preamble Clause (A) 1 above.
- j) **“The Transferee Company”** means **Lumax Auto Technologies Limited**, is as explained in Preamble Clause (A) 2 above
- k) **“Law” or “Applicable Law”** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, Tribunal, Court of India or any other country or jurisdiction as applicable.
- l) **“National Company Law Tribunal” or “NCLT” or “Hon’ble Tribunal”** means the Hon’ble National Company Law Tribunal at Mumbai having jurisdiction in relation to the Transferee Company and Hon’ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company.
- m) **“National Company Law Appellate Tribunal” or “NCLAT” or “Hon’ble NCLAT”** means the Hon’ble National Company Law Appellate Tribunal at New Delhi.
- n) **“ROC” or “Registrar of Companies”** means the Registrar of Companies, Pune having jurisdiction over the Transferee Company and Registrar of Companies, NCT of Delhi and Haryana having jurisdiction over the Transferor Company.
- o) **“The Effective Date”** in relation to the scheme, means last of the dates on which the certified copy of the order of Hon’ble National Company Law Tribunal sanctioning the Scheme of Merger are filed by the Transferor Company and the Transferee Company with the respective Registrar of Companies.

Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.

- p) **“Undertaking”** in relation to the Transferor Company, shall mean the entire Business of Transferor Company on a going concern basis as on appointed date.
- q) **“IT Act”** means the Income Tax Act, 1961, as amended from time to time.

All terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable law (as defined above), rules, regulations, bye-laws, as the case may be including any statutory modification or re-enactment thereof from time to time.

References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.

In this Scheme, where the context so requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

## 1.2 SHARE CAPITAL

- a. **TRANSFEROR COMPANY-** The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2018 was as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 2,11,00,000 Equity Shares of Rs. 10/- each.         | 21,10,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 42,40,313 Equity Shares of Rs. 10/- each.           | 4,24,03,130     |

The authorized, issued, subscribed and paid-up share capital of the Transferor Company is same as above on the date of Board Meeting i.e. December 21, 2018, approving the Scheme of Merger. The Transferor Company is a 100% subsidiary of Transferee Company.

- b. **TRANSFEEE COMPANY-** The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2018 was as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 1,50,00,000 Equity Shares of Rs. 10/- each.         | 15,00,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 1,36,31,541 Equity Shares of Rs. 10/- each.         | 13,63,15,410    |

Subsequent to the March 31, 2018 and with effect from June 08, 2018, the Transferee Company has sub-divided face value of its Equity Shares from Rs. 10/- per Equity Share to Rs. 2/- per Equity Share. Therefore, the authorized, subscribed and paid-up share capital of the Transferee Company as on date is as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 7,50,00,000 Equity Shares of Rs. 2/- each.          | 15,00,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 6,81,57,705 Equity Shares of Rs. 2/- each.          | 13,63,15,410    |

## **PART-II**

### **TRANSFER AND VESTING OF UNDERTAKINGS OF THE TRANSFEROR COMPANY INTO**

#### **THE TRANSFeree COMPANY**

- 2.1** Upon this Scheme becoming effective and with effect from the Appointed Date, the entire business and the undertakings of the Transferor Company including without limitation, all the movable and immovable properties & assets, liabilities, losses, duties, obligations, including those arising on account of Taxation Laws and other allied laws, reserve & surplus including Securities Premium Account shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company pursuant to the sanction of this Scheme by the Hon'ble NCLT and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the Income Tax Act, 1961, as a going concern, without any further act, instrument, deed, matter or thing to be made, done or executed.
- 2.2** With effect from the commencement of business on the Appointed Date and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, entire undertaking along with business and all properties whether moveable or immovable or tangible or intangible wherever situated and also all other assets, capital, work-in-progress, current assets, movable assets, all investments in India or out of India, if any, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favor of or enjoyed by the Transferor Company, including but without being limited to, all licenses viz. business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, know – how, service marks, trade secrets, brands, copy rights, patents, quota rights, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures subsidies, capital subsidies, concessions, exemptions, Government Incentives, Sales Tax/ Goods and Services Tax exemptions, approvals, clearances, environmental clearances, occupancy certificate, approval from fire department, approval for water, electricity and sewerage, approval from irrigation department, approval from underground water authority, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, computer software/licenses, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as “the said assets”) shall, without any further act, instrument or deed and without payment of any duty or other charges, be transferred to and vested in the Transferee Company as a going concern pursuant to the applicable provisions of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company.
- 2.3** Without prejudice to the generality of Clauses 2.1 and 2.2 above, upon occurrence of the Effective Date, the Transferor Company shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date.
- 2.4 TRANSFER OF ASSETS**
- 2.4.1** All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.
- 2.4.2** Without prejudice to the provisions of Clause 2.4.1, it is expressly provided that in respect of such of the said assets and properties of the undertaking as are movable in nature or incorporeal property or are otherwise capable of being transferred by physical delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the Hon'ble NCLT or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the integral part of the Undertaking and property of the Transferee Company accordingly.
- 2.4.3** In respect of movables other than those dealt with in Clause 2.4.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.
- 2.4.4** All The assets and properties as on the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties, which are/if any, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.
- 2.4.5** For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, quotas, liberties, special status, certificates, clearances, authorities, powers of attorney, tax deferrals and all other benefits and privileges enjoyed or conferred upon or held or availed of by the



Transferor Company or issued to or executed in favor of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

**2.4.6** For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, if any, including all the leases, of the Transferor Company shall without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.

## **2.5 TRANSFER OF LIABILITIES**

**2.5.1** In accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Upon coming into effect of this Scheme, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

**2.5.2** All debts, liabilities, guarantees, indemnities, contingent liabilities, disputed liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statements of the Transferor Company and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company by virtue of the Scheme, so as to become as and from the Appointed Date, the debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of the Transferee Company.

**2.5.3** Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

**2.5.4** Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

**2.5.5** To the extent there are inter-corporate loans, liabilities, duties, debts and claims (including deferred tax liabilities and contingent liabilities) if any, due or which may hereafter become due, between the Transferor Company and the Transferee Company or vice versa, the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such loans, liabilities, duties, debts and claims (including receivables), due or which may hereafter become due, between the Transferee Company on the one hand and the Transferor Company on the other hand.

**2.5.6** Any loans, advances and other facilities sanctioned to the Transferor Company by their bankers and financial institutions from the Appointed Date till the Effective Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.

## **2.6 ENCUMBRANCES**

**2.6.1** The transfer and vesting of the Undertaking to and in Transferee Company shall be subject to the existing securities, mortgages, charges, hypothecation, encumbrances or liens, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Company.

**2.6.2** All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.

## **2.7 TREATMENT OF TAXES**

**2.7.1** Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax, Goods and Services Tax, Luxury Tax, Stamp Laws (hereinafter in this Clause referred to as "Tax Laws") or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including Advance Tax and tax deducted at source) as on the date immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.

**2.7.2** All taxes including Income Tax, Wealth Tax, Minimum Alternate Tax, Service Tax, Sales Tax, Goods and Services Tax and all other Statutory Taxes, if any, paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date shall be on account of the Transferee Company, and in so far as it relates to the payment of taxes (including without limitation Income Tax, Wealth Tax, Sales Tax, Excise Duty, Customs Duty, Service Tax, Luxury Tax, Value Added Tax, Goods and Services Tax etc.), whether by way of deduction at source, Advance Tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

**2.7.3** Any refunds, input credits, benefits, incentives, grants, subsidies etc. under the Income Tax Act, 1961, the Goods and Services Tax Act, 2017 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

**2.7.4** All taxes, benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales Tax, Service Tax, Goods and Services Tax etc. or any tax deduction/ collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to NCLT. The benefit of all taxes paid including Minimum Alternate Tax under Income Tax Act, 1961 unabsorbed depreciation, carry forward of losses as well as set-off of losses thereof shall be available to the Transferee Company as would have been available to the Transferor Company upon the sanction of the scheme by the NCLT.

**2.7.5** Without prejudice to the generality of the above, all benefits including under the Income Tax, Sales Tax, Excise Duty, Customs Duty, Service Tax, Luxury Tax, Value Added Tax, Goods and Services Tax etc., to which the respective Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

**2.7.6** All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, such tax proceedings/appeals shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, as the case may be. These proceedings/appeals shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation (i.e. Merger by way of Absorption) of the Transferor Company with the Transferee Company or anything contained in the Scheme.

**2.7.7** Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant Labour Laws, Income Tax,

Sales Tax including Value Added Tax, Service Tax, Goods and Services Tax, Wealth tax and other applicable tax laws, and to claim refunds and/ or credits for dues and/ or taxes paid and/ or depreciation benefits, if any, as may be required consequent to implementation of this Scheme.

### **3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 3.1** Subject to the provisions of this Scheme, all contracts, deeds, bonds, schemes, agreements, arrangements and other instruments of whatsoever nature (including all tenancies, leases, licenses and other assurances in favor of any of the Transferor Company or powers or authorities granted by or to any of the Transferor Company), to which the Transferor Company is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favor of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 3.2** Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the secured creditors of the Transferor Company or in favor of any other party to any contract or arrangement to which any of the Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement and carry out all such formalities or compliance referred to above on the part/behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3.3** Any inter-se contracts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Transaction(s), if any, between the Transferor Company and Transferee Company after the Appointed Date and until the Effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.

### **4. LEGAL PROCEEDINGS AND OTHER RESOLUTIONS**

- 4.1** All legal proceedings of whatsoever nature by or against the Transferor Company pending at the Effective Date, shall not be abated or discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, and enforced by or against the Transferor Company as if the Scheme had not been made.
- 4.2** The resolutions, including resolutions passed under Section 180(1)(a), Section 180(1)(c) and Section 186 of the Act, if any, of the Transferor Company, which are valid and subsisting on the effective date, shall, *mutatis mutandis*, continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and where such resolutions have any upper monetary or other limit(s) being fixed under the provisions of the Act or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 4.3** Upon the Scheme becoming effective, all the Directors of the Transferor Company shall cease to hold office as Directors thereof with effect from the Effective date. However, on the Scheme becoming effective, and having regard to the expertise and their involvement in the affairs of the Transferor Company and for ensuring smooth transition and integration of the business of Transferor Company, both the Executive Directors of the Transferor Company shall be inducted as employees of the Transferee Company, on same amount of the remuneration payable to each of them as on 31<sup>st</sup> March, 2019 for the remaining period of their tenure, and thereafter the said remuneration will be revised as may be considered appropriate by the Board from time to time and it is clarified herein that approval of the Scheme by the Audit Committee, Board of Directors and Shareholders of the Transferee Company shall be deemed to be the approval under Section 188(1)(f) of the Act and thus, no separate resolution or approval under the Act shall be required to pass for their appointment and terms of appointment in the Transferee Company.

### **5. DISSOLUTION OF TRANSFEROR COMPANY**

On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up.

### **6. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANY**

- 6.1** All the employees of the Transferor Company who are in its permanent employment, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the permanent employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions as to employment and remuneration not less favorable than those subsisting in the concerned Transferor Company on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall be continued to be governed by their existing agreements and terms and conditions of their employment. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the



Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).

6.2 Provident Fund, Gratuity Fund, Superannuation Fund and any other Special Fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming effective, the name of Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. With effect from the date of filing of this Scheme with the Hon'ble NCLT and till the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of their respective employees, except with the written consent of the Transferee Company.

## **7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFEEE COMPANY**

7.1 With effect from the Appointed Date until the Effective Date, the Transferor Company:

7.1.1 Shall possess of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.

7.1.2 Shall carry on and shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges, expenses or losses (including taxes) arising or incurred or suffered by the Transferor Company shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or losses (including taxes), as the case may be, of the Transferee Company.

7.2 Any corporate action by Transferor Company on or after the Appointed Date until the Effective Date shall, upon the Scheme becoming effective, be treated as having been taken by the Transferee Company without any further application, act or deed etc. and shall be dealt with accordingly.

7.3 Till such times, the names of the Bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary.

7.4 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.5 Notwithstanding anything contained in sub-clause '7.1' to '7.4' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses till the Merger is effective.

## **8. CONSIDERATION**

8.1 Upon the Scheme being sanctioned by the Hon'ble Tribunal, there will be no issue and allotment of any shares by the Transferee Company in consideration of Merger of the Transferor Company with the Transferee Company as the Transferor Company is wholly owned subsidiary Company of the Transferee Company and the entire paid up share capital of the Transferor Company is held by Transferee Company along with Nominees of Transferee Company. All equity shares held by the Transferee Company and its Nominee(s) in the Transferor Company shall be cancelled and extinguished as on the Appointed Date.

8.2 Upon the scheme becoming effective, entire issued, subscribed and paid-up equity share capital of Transferor Company shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled and no new shares of the Transferee Company will be issued or allotted with respect to the equity shares held by the Transferee Company and its nominee in the Transferor Company.

8.3 The Transferee Company undertakes not to transfer any of the shares held by it of the Transferor Company till the Merger is completed.

8.4 The Transferor Company undertakes not to increase its share capital by issuing shares to any entity other than Transferee Company till Merger is completed.

8.5 Upon the scheme becoming effective, share certificates and/ or the shares in electronic form representing the shares held by the Transferee Company (including its Nominees) in the Transferor Company shall be cancelled without any further application, act, instrument or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.

## **9. UPON THIS SCHEME BECOMING EFFECTIVE**

- 9.1** Entire issued share capital of the Transferor Company both in electronic form and in the physical form, as the case may be, shall automatically stand cancelled.
- 9.2** The authorized share capital of the Transferor Company shall get merged to form new authorized share capital of the Transferee Company and thereafter, the authorized share capital of the Transferee Company shall stand increased to that extent without any further act, deed and the fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.
- 9.3** Accordingly, the Capital Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed be replaced by the following Clause:

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

Further, Article 4 (a) of the Articles of Association of the Transferee Company shall, without any further act or deed be replaced by the following:

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

- 9.4** It is clarified that the consent and approval of the Scheme by the shareholders and/ or creditors of the Transferee Company shall be deemed to be sufficient for the purpose of effecting the Alteration of the Memorandum of Association and Articles of Association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and no further resolution(s) under the applicable provisions of the Act, would be required to be separately passed, nor any registration fee, stamp duty, etc. shall be payable by the Transferee Company. The Transferee Company shall file amended copy of Memorandum & Articles of Association with the concerned Registrar of Companies.
- 9.5** On this Scheme becoming effective, the shareholders and creditors, wherever applicable, if any, of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme and no separate resolution under the Act shall be required to pass.

## **10. ACCOUNTING TREATMENT**

- 10.1** Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Merger shall be accounted in the books of accounts of the Transferee Company in accordance with applicable Indian Accounting Standard (Ind-AS) as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India as applicable on Effective Date.
- 10.2** It is further clarified that the excess of the Assets and Liabilities transferred to the Transferee Company would be credited to the 'Capital Reserve Account' and the shortfall of the Assets and Liabilities transferred to the Transferee Company would be debited to General Reserve, if any, of the Transferee Company.
- 10.3** Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the Merger by way of Absorption.
- 10.4** If there is any difference in accounting policies of the Transferor Company and that of the Transferee Company, the impact of the same till the Appointed date will be quantified and same shall be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.

## **11. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

- 11.1** Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company.
- 11.2** If any such resolutions have any monetary or other limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, imposed under the like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

### **PART-III**

#### **12. CONDITIONALITY OF SCHEME AND OPERATIVE/ EFFECTIVE DATE OF THE SCHEME**

**12.1** This Scheme is and shall be conditional upon and subject to:

- a. Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;
- b. The scheme being approved by the requisite majorities in number and value of such classes of members (as may be applicable) and/or creditors (wherever applicable), of the Transferor Company and the Transferee Company as may directed by Hon'ble NCLT.
- c. The approval or sanction of the Hon'ble NCLT under Sections 230 to 232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.
- d. The certified/ authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and the Transferee Company with the Registrar of Companies.
- e. The requisite approvals, sanctions, permissions or consents of any Governmental Authority or any statutory or regulatory authorities as may be required by law for the implementation of Scheme.

#### **13. APPROVAL OF SEBI AND STOCK EXCHANGES**

In view of the SEBI Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated February 15, 2017 and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of Merger of wholly owned subsidiaries with their Parent Company shall be filed with the Stock Exchanges for the purpose of disclosures and stock exchange shall disseminate the scheme documents on their website. The Transferee Company undertakes to comply with requirement of aforesaid and all other applicable SEBI Notification/ Circular.

#### **14. APPLICATION TO HON'BLE NCLT**

The Transferor Company and the Transferee Company shall make application under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act to the Hon'ble NCLT where the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme and for the dissolution of the Transferor Company without winding-up and other concerned matters.

#### **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 15.1** The Transferor Company and the Transferee Company through their respective Board of Directors or any Director/Executives or any committee authorized in that behalf (hereinafter referred to as the "Delegate") may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble NCLT and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- 15.2** In order to give effect to this Scheme or to any modification(s) or amendments or addition(s) thereof, the Board of Directors/ delegates of the Transferee Company may give and is authorized to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.

#### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of this Scheme failing to take effect, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or employees or any other person. Each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

#### **17. COST CHARGES AND EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation (i.e. Merger by way of Absorption) of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company only. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates, other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc.

#### **18. SEVERABILITY**

If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts/provisions of the scheme.

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**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LUMAX DK AUTO INDUSTRIES LIMITED AT ITS MEETING HELD ON DECEMBER 21, 2018 EXPLAINING THE EFFECT OF THE SCHEME OF SCHEME OF MERGER (BY WAY ABSORPTION) ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

- 1.1. The Board of Directors ('Board') of Lumax DK Auto Industries Limited ('Transferor Company') at its meeting held on December 21, 2018 has approved the Scheme of Merger (By way absorption) of Lumax Auto Technologies Limited ('Transferee Company') and their respective creditors and shareholders ('Scheme').
- 1.2. Under the Scheme, it is proposed to merged 'Transferor Company with Transferee Company.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation (This to be deleted as it is not applicable). This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. That the draft Scheme duly initialed by the Chairman of Transferor Company for the purpose of identification was placed before the Board and the Scheme was deliberated in the meeting held on December 21, 2018.

**2. VALUATION REPORT**

- 2.1. Pursuant to the Clause 8.1 of Scheme, there will be no issuance of shares from the Transferee Company to the shareholders of 'Transferor Company' as Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor

Company and there will be no valuation exercise required to be undertaken by the Restructured Companies to determine the share exchange ratio and thus, no valuation was required to be prepared regarding the same.

### **3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEROR COMPANY**

#### **3.1. Equity Shareholders (Promoter and Non-Promoter):**

There will be no adverse effect of the Scheme on the equity shareholders (the only class of shareholders), promoters and non-promoter shareholders of the Transferor Company.

Since Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor Company, no shares shall be issued upon merger of 'Transferor Company with Transferee Company and upon the scheme becoming effective, there will be no change in shareholding pattern of Transferee Company.

#### **3.2. Key Managerial Personnel**

The Scheme would not have any effect on the KMPs of the Transferor Company.

**FOR LUMAX DK AUTO INDUSTRIES LIMITED**

**Sd/-**

**DHANESH KUMAR JAIN  
CHAIRMAN OF THE MEETING**

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LUMAX AUTO TECHNOLOGIES LIMITED AT ITS MEETING HELD ON DECEMBER 21, 2018 EXPLAINING THE EFFECT OF THE SCHEME OF SCHEME OF MERGER (BY WAY ABSORPTION) ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

- 1.1. The Board of Directors ('Board') of Lumax Auto Technologies Limited ('Transferee Company') at its meeting held on December 21, 2018 has approved the Scheme of Merger (By way absorption) of Lumax DK Auto Industries Limited ('Transferor Company') and their respective creditors and shareholders ('Scheme').
- 1.2. Under the Scheme, it is proposed to merged 'Transferor Company with Transferee Company.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation (This to be deleted as it is not applicable). This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. That the draft Scheme duly initialed by the Chairman of Transferee Company for the purpose of identification was placed before the Board and the Scheme was deliberated in the meeting held on December 21, 2018.

**2. VALUATION REPORT**

- 2.1. Pursuant to the Clause 8.1 of Scheme, there will be no issuance of shares from the Transferee Company to the shareholders of 'Transferor Company' as Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor

Company and there will be no valuation exercise required to be undertaken by the Restructured Companies to determine the share exchange ratio and thus, no valuation was required to be prepared regarding the same.

### **3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEREE COMPANY**

#### **3.1. Equity Shareholders (Promoter and Non-Promoter):**

There will be no adverse effect of the Scheme on the equity shareholders (the only class of shareholders), promoters and non-promoter shareholders of the Transferee Company.

Since Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor Company, no shares shall be issued upon merger of 'Transferor Company with Transferee Company and upon the scheme becoming effective, there will be no change in shareholding pattern of Transferee Company.

#### **3.2. Key Managerial Personnel**

The Scheme would not have any effect on the KMPs of the Transferee Company.

**FOR LUMAX AUTO TECHNOLOGIES LIMITED**

**Sd/-**

**DHANESH KUMAR JAIN**

**CHAIRMAN OF THE MEETING**

**Supplementary unaudited Accounting Statement of Lumax DK Auto Industries Ltd. ("Transferor Company") as at December 31, 2018**

**Condensed Balance Sheet as at December 31, 2018**

*(Amounts in INR lacs, unless otherwise stated)*

| Particulars  | Notes          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------|----------------------------|-------------------------|
| <b>ASSETS</b>  |                |                            |                         |
| <b>I. Non-current assets</b>                         |                |                            |                         |
| Property, plant and equipment                        | 3              | 7,366.04                   | 7,634.09                |
| Capital work in progress                             | 3              | 80.17                      | 23.09                   |
| Investment property                                  | 4              | 1,887.48                   | 1,930.74                |
| Intangible assets                                    | 5              | 19.39                      | 29.63                   |
| Financial assets                                     |                |                            |                         |
| - Investments  | 6              | 544.61                     | 533.34                  |
| - Other financial assets                             | 8              | 1,081.80                   | 86.10                   |
| Income tax asset(net)                                | 9              | 13.61                      | 296.54                  |
| Other non- current assets                            | 11             | 139.75                     | 75.93                   |
|  | <b>A</b>       | <b>11,132.85</b>           | <b>10,609.46</b>        |
| <b>II. Current assets</b>                            |                |                            |                         |
| Inventories  | 12             | 1,174.01                   | 846.96                  |
| Financial assets                                     |                |                            |                         |
| - Investment   | 6              | 1,668.23                   | 1,477.10                |
| - Loans  | 7              | 15.08                      | 7.60                    |
| - Trade receivables                                  | 13             | 7,815.84                   | 8,206.77                |
| - Cash and cash equivalents                          | 14             | 148.46                     | 603.08                  |
| - Other bank balances                                | 15             | 1,305.15                   | 993.90                  |
| - Others financial assets                            | 8              | 51.61                      | 32.25                   |
| Assets classified as held for disposal               | 10             | -                          | 2.13                    |
| Other current assets                                 | 11             | 192.81                     | 104.13                  |
|  | <b>B</b>       | <b>12,371.19</b>           | <b>12,273.92</b>        |
| <b>Total Assets</b>                                  | <b>(A+B)</b>   | <b>23,504.04</b>           | <b>22,883.38</b>        |
| <b>EQUITY AND LIABILITIES</b>                        |                |                            |                         |
| <b>I. Equity</b>                                     |                |                            |                         |
| Equity share capital                                 | 16             | 424.03                     | 424.03                  |
| Other equity   | 17             | 16,736.04                  | 15,822.69               |
| <b>Total equity</b>                                  | <b>A</b>       | <b>17,160.07</b>           | <b>16,246.72</b>        |
| <b>Liabilities</b>                                   |                |                            |                         |
| <b>II. Non- current liabilities</b>                  |                |                            |                         |
| Provisions   | 18             | 260.42                     | 251.81                  |
| Deferred tax liabilities (net)                       | 19             | 805.56                     | 792.61                  |
|  | <b>B</b>       | <b>1,065.98</b>            | <b>1,044.42</b>         |
| <b>III. Current liabilities</b>                      |                |                            |                         |
| Financial liabilities                                |                |                            |                         |
| - Trade payables                                     | 20             |                            |                         |
| - Payables to Micro and Small Enterprises            |                | -                          | -                       |
| - Payables to other than Micro and Small Enterprises |                | 4,414.92                   | 4,932.94                |
| - Other financial liabilities                        | 21             | 467.25                     | 457.37                  |
| Provisions   | 18             | 43.78                      | 43.78                   |
| Other current liabilities                            | 22             | 284.53                     | 158.15                  |
| Current Tax Liabilities (Net)                        | 9              | 67.51                      | -                       |
|  | <b>C</b>       | <b>5,277.99</b>            | <b>5,592.24</b>         |
| <b>Total equity and liabilities</b>                  | <b>(A+B+C)</b> | <b>23,504.04</b>           | <b>22,883.38</b>        |

The accompanying notes form an integral part of these financial statements.

**For Lumax DK Auto Industries Ltd.**

sd/-  
**Pravin Jain**  
DGM-Finance



**Supplementary unaudited Accounting Statement of Lumax DK Auto Industries Ltd. ("Transferrer Company") as at  
December 31, 2018**  
**Condensed Statement of Profit and loss for period ended December 31, 2018**  
*(Amounts in INR lacs, unless otherwise stated)*

| Particulars |   | Notes | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|-------------|---|-------|---|--------------------------------------|
| <b>I.</b>   | Revenue from operations   | 23    | <b>24,106.64</b>                          | 34,991.07                            |
| <b>II.</b>  | Other income  | 24    | <b>976.01</b>                             | 954.06                               |
| <b>III</b>  | <b>Total income</b>   |       | <b>25,082.65</b>                          | 35,945.13                            |
| <b>IV</b>   | <b>Expenses</b>   |       |   |                                      |
|             | Cost of raw material and components consumed  | 25    | <b>17,039.71</b>                          | 26,016.35                            |
|             | Cost of moulds consumed   | 25    | <b>34.63</b>                              | 260.40                               |
|             | (Increase)/Decrease in inventories of finished goods and work-in-progress                                   | 26    | <b>(127.01)</b>                           | (7.70)                               |
|             | Excise duty on sale of goods  |       | -   | 1,021.01                             |
|             | Employee benefits expense   | 27    | <b>2,298.00</b>                           | 2,600.62                             |
|             | Finance costs   | 28    | -   | -                                    |
|             | Depreciation and amortization expense   | 29    | <b>612.90</b>                             | 852.64                               |
|             | Other expenses  | 30    | <b>2,281.96</b>                           | 2,946.12                             |
| <b>V</b>    | <b>Total expenses</b>   |       | <b>22,140.19</b>                          | <b>33,689.44</b>                     |
| <b>VI</b>   | <b>Profit before exceptional items and tax (III-IV)</b>   |       | <b>2,942.46</b>                           | 2,255.69                             |
|             | Exceptional Items   |       | -   | -                                    |
| <b>VII</b>  | <b>Profit before tax</b>  |       | <b>2,942.46</b>                           | 2,255.69                             |
| <b>VIII</b> | <b>Tax expense:</b>   | 31    |   |                                      |
|             | Current tax   |       | <b>720.04</b>                             | 479.38                               |
|             | MAT Credit (Entitlement)/Utilised   |       | <b>284.52</b>                             | 251.03                               |
|             | Adjustment of tax relating to earlier years   |       | <b>1.64</b>                               | (6.50)                               |
|             | Deferred tax  |       | <b>8.61</b>                               | 58.42                                |
|             | <b>Total tax expense</b>  |       | <b>1,014.81</b>                           | 782.33                               |
| <b>IX</b>   | <b>Profit for the year (VII-VIII)</b>   |       | <b>1,927.65</b>                           | 1,473.36                             |
| <b>X</b>    | <b>OTHER COMPREHENSIVE INCOME</b>   |       |   |                                      |
|             | <b>Items that will not be reclassified to statement of profit and loss</b>                                  |       |   |                                      |
|             | Re-measurement gains/ (losses) on defined benefit plans   |       | <b>1.15</b>                               | 1.39                                 |
|             | Income tax effect   |       | <b>(0.40)</b>                             | (0.49)                               |
|             | Revaluation of Investment in Equity   |       | <b>11.27</b>                              | 14.84                                |
|             | Income tax effect   |       | <b>(3.94)</b>                             | (5.19)                               |
|             | <b>Net comprehensive income not to be reclassified to statement of profit or loss in subsequent periods</b> |       | <b>8.08</b>                               | 10.55                                |
| <b>XI</b>   | <b>Other comprehensive income for the year, net of tax</b>  |       | <b>8.08</b>                               | 10.55                                |
| <b>XII</b>  | <b>Total comprehensive income of the year, net of tax</b>   |       | <b>1,935.73</b>                           | 1,483.91                             |
|             | <b>Earnings per share:</b>  |       |   |                                      |
|             | 1) Basic  |       | <b>45.46</b>                              | 34.75                                |
|             | 2) Diluted  |       | <b>45.46</b>                              | 34.75                                |

The accompanying notes form an integral part of these financial statements.

**For Lumax DK Auto Industries Ltd.**

sd/-  
**Pravin Jain**  
DGM-Finance

**Lumax DK Auto Industries Ltd**  
**Statement of Changes in equity for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

|   | Share capital*<br>(1) | Other Equity      |                |                 |                                   | Total equity<br>(1+2) |
|---|-----------------------|-------------------|----------------|-----------------|-----------------------------------|-----------------------|
|   |                       | Retained earnings | FVTOCI Reserve | General reserve | Total Reserves and surplus<br>(2) |                       |
| <b>As at April 01, 2017</b>                                 | 424.03                | 14,728.80         | 142.11         | 233.40          | 15,104.31                         | 15,528.34             |
| Add: Profit for the year                                    | -                     | 1,473.36          | -              | -               | 1,473.36                          | 1,473.36              |
| Add: Other comprehensive income                             | -                     | 0.90              | 9.65           | -               | 10.55                             | 10.55                 |
| Less: Transferred from Retained Earnings to General Reserve | -                     | -172.18           | -              | 172.18          | -                                 | -                     |
| Less: Dividend declared & paid                              | -                     | -636.05           | -              | -               | -636.05                           | -636.05               |
| Less: Tax on Dividend                                       | -                     | -129.48           | -              | -               | -129.48                           | -129.48               |
| <b>As at 31 March, 2018</b>                                 | 424.03                | 15,265.35         | 151.76         | 405.58          | 15,822.69                         | 16,246.72             |
| <b>As at April 01, 2018</b>                                 | 424.03                | 15,265.35         | 151.76         | 405.58          | 15,822.69                         | 16,246.72             |
| Add: Profit for the year                                    | -                     | 1,927.65          | -              | -               | 1,927.65                          | 1,927.65              |
| Add: Other comprehensive income                             | -                     | 0.75              | 7.33           | -               | 8.08                              | 8.08                  |
| Less: Transferred from Retained Earnings to General Reserve | -                     | -147.00           | -              | 147.00          | -                                 | -                     |
| Less: Dividend declared & paid                              | -                     | -848.06           | -              | -               | -848.06                           | -848.06               |
| Less: Tax on Dividend                                       | -                     | -174.32           | -              | -               | -174.32                           | -174.32               |
| <b>As at December 31, 2018</b>                              | 424.03                | 16,024.37         | 159.09         | 552.58          | 16,736.04                         | 17,160.07             |

\* 42,40,313 equity shares of Rs. 10/- each fully paid up

The accompanying notes form an integral part of these financial statements

**Lumax DK Auto Industries Ltd**  
**Statement of Cash Flows for the period ended 31 December 2018**

*(Amounts in INR lacs, unless otherwise stated)*

| <b>Particulars</b>   | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| A Net cash flows from operating activities                 | <b>1,031.44</b>                                   | 2,149.88                             |
| B Net cashfrom / ( used) in investing activities           | <b>(463.68)</b>                                   | (1,140.34)                           |
| C Net cash used in financing activities:                   | <b>(1,022.38)</b>                                 | (765.53)                             |
| <b>Net increase/(decreas) in cash and cash equivalents</b> | <b>(454.62)</b>                                   | 244.01                               |
| Cash and cash equivalents at the beginning of the year     | <b>603.08</b>                                     | 359.07                               |
| <b>Cash and cash equivalents at year end</b>               | <b>148.46</b>                                     | 603.08                               |

The accompanying notes form an integral part of these financial statements

**1. CORPORATE INFORMATION**

Lumax DK Auto Industries Limited is a Public Limited Company in India and incorporated under the Companies Act, 1956. The Company is founded in the year 1997 and is a part of the D.K. Jain Group of companies engaged in business of manufacturing of automotive parts.

**2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The condensed financial statements as at 31 December 2018 have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Company management had previously issued its Annual Audited Financial Statements for the year ended 31 March 2018 on 28 May 2018 that were prepared in accordance with the Indian Accounting Standard (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under the Section of Companies Act 2013 and other relevant provisions of the Act.

Information as at 31 December 2018 and for the period then ended is proposed to be sent to the National Company Law Tribunal (NCLT), creditors shareholders and other statutory authorities, in accordance with the requirements of the Companies Act 2013.

The financial results of the company for the nine months period ended 31 December 2018 were reviewed by statutory auditors of the Company and an unqualified Limited Review Report was given thereon.

These compiled information are not a complete set of financial statements prepared as per the requirements of the companies Act 2013 or the requirements of the Ind AS 24 "Interim Financial Reporting".

All the amounts included in the financial statements are reported in lakhs of Indian Rupees and are rounded to the nearest lakh, except per share data and unless stated otherwise.

**2.1 Significant accounting policies, accounting estimates, assumptions and judgements**

The accounting policies, accounting estimates, assumptions and judgements adopted in the compilation of these financial information are consistent with those followed in the preparation of the Company's latest Annual financial statements.

**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018***(Amounts in INR lacs, unless otherwise stated)***3 Property, plant and equipment and capital work in progress****a) Property, plant and equipment (net)**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| Freehold land            | 274.07                     | 274.07                  |
| Leasehold Land           | 378.72                     | 382.25                  |
| Building                 | 1,710.03                   | 1,768.32                |
| Buildings (Non- Factory) | 116.44                     | 115.32                  |
| Plant and Machinery      | 4,711.30                   | 4,899.15                |
| Furniture and Fixtures   | 25.07                      | 26.74                   |
| Vehicles                 | 99.22                      | 105.72                  |
| Office Equipments        | 36.31                      | 45.28                   |
| Computers                | 14.88                      | 17.24                   |
| <b>Total</b>             | <b>7,366.04</b>            | 7,634.09                |

**b) Capital work in progress**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| Capital work in progress | 80.17                      | 23.09                   |
| <b>Total</b>             | <b>80.17</b>               | 23.09                   |

Lumax DK Auto Industries Ltd  
Notes to financial statements for the period ended December 31, 2018

(Amounts in INR lacs, unless otherwise stated)

3.1 Property, Plant and Equipment

|                                     | Freehold land | Leasehold Land | Building |                         | Plant and Machinery | Furniture and fixtures | Office equipments | Vehicles | Computers | Total     |
|-------------------------------------|---------------|----------------|----------|-------------------------|---------------------|------------------------|-------------------|----------|-----------|-----------|
|                                     |               |                | Building | Buildings (Non-Factory) |                     |                        |                   |          |           |           |
| <b>Cost or valuation</b>            |               |                |          |                         |                     |                        |                   |          |           |           |
| As at April 01, 2017                | 288.41        | 421.90         | 2,390.53 | 136.86                  | 8,522.04            | 65.54                  | 133.77            | 177.09   | 128.90    | 12,265.04 |
| Additions                           | -             | -              | 23.89    | -                       | 888.13              | 4.01                   | 11.28             | -        | 6.64      | 933.95    |
| Disposals                           | -14.34        | -              | -        | -                       | -236.46             | -                      | -                 | -0.11    | -0.80     | -251.71   |
| As at March 31, 2018                | 274.07        | 421.90         | 2,414.42 | 136.86                  | 9,173.71            | 69.55                  | 145.05            | 176.98   | 134.74    | 12,947.28 |
| As at April 01, 2018                | 274.07        | 421.90         | 2,414.42 | 136.86                  | 9,173.71            | 69.55                  | 145.05            | 176.98   | 134.74    | 12,947.28 |
| Additions                           | -             | -              | 2.66     | 2.83                    | 258.98              | 1.74                   | 1.80              | 15.57    | 6.55      | 290.13    |
| Disposals                           | -             | -              | -        | -                       | -                   | -                      | -                 | -6.00    | -         | -6.00     |
| Fixed asset held for sale           | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| As at December 31, 2018             | 274.07        | 421.90         | 2,417.08 | 139.69                  | 9,432.69            | 71.29                  | 146.85            | 186.55   | 141.29    | 13,231.41 |
| <b>Depreciation and Impairments</b> |               |                |          |                         |                     |                        |                   |          |           |           |
| As at April 01, 2017                | -             | 34.97          | 565.62   | 19.30                   | 3,740.45            | 38.23                  | 84.90             | 42.65    | 102.89    | 4,629.01  |
| Additions                           | -             | 4.68           | 80.48    | 2.24                    | 629.24              | 4.58                   | 14.87             | 28.61    | 15.20     | 779.90    |
| Disposals                           | -             | -              | -        | -                       | -95.13              | -                      | -                 | -        | -0.59     | -95.72    |
| As at March 31, 2018                | -             | 39.65          | 646.10   | 21.54                   | 4,274.56            | 42.81                  | 99.77             | 71.26    | 117.50    | 5,313.19  |
| As at April 01, 2018                | -             | 39.65          | 646.10   | 21.54                   | 4,274.56            | 42.81                  | 99.77             | 71.26    | 117.50    | 5,313.19  |
| Depreciation Charge for the period  | -             | 3.53           | 60.95    | 1.71                    | 446.83              | 3.41                   | 10.77             | 21.95    | 8.91      | 558.06    |
| Disposal                            | -             | -              | -        | -                       | -                   | -                      | -                 | -5.88    | -         | -5.88     |
| Fixed asset held for sale           | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| Impairment of assets                | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| As at December 31, 2018             | -             | 43.18          | 707.05   | 23.25                   | 4,721.39            | 46.22                  | 110.54            | 87.33    | 126.41    | 5,865.37  |
| <b>Net Block</b>                    |               |                |          |                         |                     |                        |                   |          |           |           |
| As at March 31, 2018                | 274.07        | 382.25         | 1,768.32 | 115.32                  | 4,899.15            | 26.74                  | 45.28             | 105.72   | 17.24     | 7,634.09  |
| As at December 31, 2018             | 274.07        | 378.72         | 1,710.03 | 116.44                  | 4,711.30            | 25.07                  | 36.31             | 99.22    | 14.88     | 7,366.04  |

## 4 Investment Property

|                                     | Freehold Lands | Non Factory Buildings | Total           |
|-------------------------------------|----------------|-----------------------|-----------------|
| <b>Gross carrying amount</b>        |                |                       |                 |
| As at April 01, 2017                | 609.08         | 1,694.95              | 2,304.03        |
| Additions                           | -              | -                     | -               |
| Deductions                          | (14.46)        | -                     | (14.46)         |
| As at 31 March, 2018                | 594.62         | 1,694.95              | 2,289.57        |
| As at April 01, 2018                | 594.62         | 1,694.95              | 2,289.57        |
| Additions                           | -              | -                     | -               |
| Deductions                          | -              | -                     | -               |
| <b>As at December 31, 2018</b>      | <b>594.62</b>  | <b>1,694.95</b>       | <b>2,289.57</b> |
| <b>Depreciation and Impairments</b> |                |                       |                 |
| As at April 01, 2017                | -              | 301.42                | 301.42          |
| Depreciation Charge for the year    | -              | 57.41                 | 57.41           |
| As at 31 March, 2018                | -              | <b>358.83</b>         | <b>358.83</b>   |
| As at April 01, 2018                | -              | 358.83                | 358.83          |
| Depreciation Charge for the year    | -              | 43.26                 | 43.26           |
| Deductions                          | -              | -                     | -               |
| <b>As at December 31, 2018</b>      | <b>-</b>       | <b>402.09</b>         | <b>402.09</b>   |
| <b>Net Block</b>                    |                |                       |                 |
| As at 31 March, 2018                | 594.62         | 1,336.12              | 1,930.74        |
| <b>As at December 31, 2018</b>      | <b>594.62</b>  | <b>1,292.86</b>       | <b>1,887.48</b> |

## i) Amount recognised in profit or loss for Investment Properties

| Particulars   | As at             | As at          |
|---|-------------------|----------------|
|   | December 31, 2018 | March 31, 2018 |
| Rental Income   | <b>304.52</b>     | 371.35         |
| Direct operating expenses from property that generated rental Income        | -                 | (8.67)         |
| Direct operating expenses from property that did not generate rental Income | -                 | -              |
| <b>Profit from Investment property before depreciation</b>                  | <b>304.52</b>     | 362.68         |
| Depreciation  | <b>(43.26)</b>    | (57.41)        |
| <b>Profit from Investment property</b>                                      | <b>261.26</b>     | 305.27         |

## ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property

Lumax DK Auto Industries Ltd  
Notes to financial statements for the period ended December 31, 2018  
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(Amounts in INR lacs, unless otherwise stated)

5 Intangible assets

a) Details of intangible assets:

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| <b>Intangible assets</b> |                            |                         |
| - Computer software      | 19.39                      | 29.63                   |
| <b>Total</b>             | <b>19.39</b>               | 29.63                   |

b) Disclosures regarding gross block of intangible assets, accumulated amortisation and net block are as given below:

|                                       | Computer softwares | Total         |
|---------------------------------------|--------------------|---------------|
| <b>Cost</b>                           |                    |               |
| At April 01, 2017                     | 115.31             | 115.31        |
| Add: Additions                        | -                  | -             |
| Less: Disposals                       | -                  | -             |
| At March 31, 2018                     | 115.31             | 115.31        |
| At April 01, 2018                     | 115.31             | 115.31        |
| Add: Additions                        | 1.34               | 1.34          |
| Less: Disposals                       | -                  | -             |
| <b>As at December 31, 2018</b>        | <b>116.65</b>      | <b>116.65</b> |
| <b>Amortisation</b>                   |                    |               |
| At April 01, 2017                     | 70.35              | 70.35         |
| Add: Amortisation charge for the year | 15.33              | 15.33         |
| Less: Disposals                       | -                  | -             |
| At March 31, 2018                     | 85.68              | 85.68         |
| At April 01, 2018                     | 85.68              | 85.68         |
| Add: Amortisation charge for the year | 11.58              | 11.58         |
| Less: Disposals                       | -                  | -             |
| <b>As at December 31, 2018</b>        | <b>97.26</b>       | <b>97.26</b>  |
| <b>Net book value</b>                 |                    |               |
| At March 31, 2018                     | 29.63              | 29.63         |
| <b>As at December 31, 2018</b>        | <b>19.39</b>       | <b>19.39</b>  |



**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**6 Investments**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>A. Investments</b>  |                            |                         |
| <b>Non Current (I)</b>   |                            |                         |
| <i>Investments in equity instruments of other entities (at fair value through other comprehensive income)*</i> |                            |                         |
| Nos. 300420 (March 31, 2018: Nos. 300420) Equity Share of Rs. 10 each fully paid up of Lumax Ancillary Ltd     | 544.61                     | 533.34                  |
|  | <b>544.61</b>              | 533.34                  |
| Aggregate value of unquoted  | 544.61                     | 533.34                  |
| Aggregate amount of impairment in value of Investments   | -                          | -                       |
| <b>Current (II)</b>  |                            |                         |
| <b>Quoted</b>  |                            |                         |
| <b>In Mutual Funds</b>   | 1,668.23                   | 1,477.10                |
|  | <b>1,668.23</b>            | 1,477.10                |

**7 Loans**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| <b>Loans</b>             |                            |                         |
| Loan to Employees        | 15.08                      | 7.60                    |
|                          | <b>15.08</b>               | 7.60                    |
| <b>Current (I)</b>       | 15.08                      | 7.60                    |
| <b>Non- current (II)</b> |                            |                         |

**8 Other Financial assets**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Non- current</b>  |                            |                         |
| Security deposits  | 131.80                     | 86.10                   |
| Provision for bad & doubtful debts                           | -                          | -                       |
| <b>Total</b>   | <b>131.80</b>              | 86.10                   |
| Deposits with remaining maturity for more than twelve months | 950.00                     | -                       |
| <b>Total (A)</b>   | <b>1,081.80</b>            | 86.10                   |
| <b>Current</b>   |                            |                         |
| Interest accrued but not due                                 | 42.80                      | 23.44                   |
| Other recoverables   | 8.81                       | 8.81                    |
| <b>Total (B)</b>   | <b>51.61</b>               | 32.25                   |
| <b>Total (A+B)</b>   | <b>1,133.41</b>            | 118.35                  |

\*Investment in equity instrument (unquoted ) of Lumax Ancillary Ltd where the business model of the company is not for trading , the company has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Other Comprehensive income (FVTOCI).

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**9 INCOME TAX ASSETS/(LIABILITIES) -(NET)**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>Income Tax Assets</b>                      |                            |                         |
| Advance Tax (Net of Provision)                | 13.61                      | 11.04                   |
| MAT Credit Entitlement                        | -                          | 285.50                  |
| <b>Total</b>                                  | <b>13.61</b>               | <b>296.54</b>           |
| <b>Income Tax Liabilities</b>                 |                            |                         |
| Provision for Income Tax (Net of Advance Tax) | 67.51                      | -                       |
|   | -                          | -                       |
|   | <b>67.51</b>               | -                       |

**10 Assets Classified as held for disposal**

|                            | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|----------------------------|----------------------------|-------------------------|
| Fixed Assets held for sale | -                          | 2.13                    |
| <b>Total</b>               | <b>-</b>                   | <b>2.13</b>             |

**11 Other assets**

(Unsecured, considered good, unless otherwise stated)

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>Non- current</b>                             |                            |                         |
| Capital Advances                                | 138.97                     | 74.60                   |
| Prepaid Expenses                                | -                          | 0.55                    |
| ESI Recoverable                                 | 0.78                       | 0.78                    |
|   | <b>139.75</b>              | 75.93                   |
| Less: Provision for doubtful capital advances   | -                          | -                       |
| <b>Total (A)</b>                                | <b>139.75</b>              | <b>75.93</b>            |
| <b>Current</b>                                  |                            |                         |
| Balance with statutory / government authorities | 24.32                      | 23.48                   |
| Advance to suppliers                            | 112.99                     | 36.24                   |
| Prepaid expenses                                | 23.42                      | 22.24                   |
| Advance to employees                            | 0.30                       | -                       |
| Advances Recoverable                            | 31.78                      | 22.17                   |
| <b>Total (B)</b>                                | <b>192.81</b>              | <b>104.13</b>           |
| <b>Total (A+B)</b>                              | <b>332.56</b>              | <b>180.06</b>           |

**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018****(Amounts in INR lacs, unless otherwise stated)****12 Inventories**

|  | <b>As at<br/>December 31, 2018</b> | As at<br>March 31, 2018 |
|--|------------------------------------|-------------------------|
| Raw materials  | <b>396.73</b>                      | 476.58                  |
| - In transit   | -                                  |                         |
| Work-in-progress   | <b>104.51</b>                      | 44.15                   |
| Finished goods [including sales in transit Rs.82.02 (PY Rs.73.18 )]    | <b>218.00</b>                      | 151.35                  |
| Moulds, Tools & Dies in process  | <b>244.54</b>                      | 1.20                    |
| Packing Material   | <b>69.69</b>                       | 44.31                   |
| Stores and spares  | <b>140.54</b>                      | 129.37                  |
| <b>Total inventories at the lower of cost and net realisable value</b> | <b>1,174.01</b>                    | 846.96                  |

**13 Trade receivables**

|   | <b>As at<br/>December 31, 2018</b> | As at<br>March 31, 2018 |
|---|------------------------------------|-------------------------|
| <b>Unsecured, Considered good (unless otherwise stated)</b> |                                    |                         |
| Receivable from Related parties                             | <b>5,191.32</b>                    | 5,837.09                |
| Receivable from Others                                      | <b>2,624.52</b>                    | 2,369.68                |
| Doubtful  | -                                  | -                       |
| Less: Provision for Doubtful Debtors                        | -                                  | -                       |
| <b>Total Trade receivables</b>                              | <b>7,815.84</b>                    | <b>8,206.77</b>         |

**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018****(Amounts in INR lacs, unless otherwise stated)****14 Cash and cash equivalents:**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| Balances with banks:  |                            |                         |
| - on current accounts                                       | 37.14                      | 215.18                  |
| - Deposits with original maturity of less than three months | 110.00                     | 385.44                  |
| Cash on hand  | 1.32                       | 2.46                    |
| <b>Total</b>  | <b>148.46</b>              | <b>603.08</b>           |

**15 Other bank balances**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Other bank balances</b>   |                            |                         |
| - Deposits having original maturity of more than 12 months                                       | 950.00                     | -                       |
| - Deposits with remaining maturity more than three months but less than twelve months            | 1,305.15                   | 993.90                  |
| <b>Total</b>   | <b>2,255.15</b>            | <b>993.90</b>           |
| Less: Deposits having maturity of more than twelve months disclosed under other financial assets | 950.00                     | -                       |
| <b>Total</b>   | <b>1,305.15</b>            | <b>993.90</b>           |

16 Share Capital

a) Details of share capital is as follows:

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Authorised share capital</b><br>Nos. 21,100,000 (PY Nos. 21,100,000) equity shares of Rs. 10 each     | 2,110                      | 2,110                   |
|  | <b>2,110</b>               | 2,110                   |
| <b>Issued, subscribed and paid up</b><br>Nos. 4,240,313 (PY Nos. 4,240,313) equity shares of Rs. 10 each | <b>424.03</b>              | 424.03                  |
|  | <b>424.03</b>              | 424.03                  |

b) Reconciliation of authorised share capital

|                                | Equity Shares              |              |
|--------------------------------|----------------------------|--------------|
|                                | No. of shares<br>(in lacs) | Amount       |
| As at April 01, 2017           | 211                        | 2,110        |
| Issued during the year         | -                          | -            |
| As at March 31, 2018           | 211                        | 2,110        |
| As at April 01, 2018           | 211                        | 2,110        |
| Issued during the year         | -                          | -            |
| <b>As at December 31, 2018</b> | <b>211</b>                 | <b>2,110</b> |

c) Reconciliation of issued, subscribed and paid up share capital

|   | Equity Shares              |               |
|---|----------------------------|---------------|
|   | No. of shares<br>(in lacs) | Amount        |
| <b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b> |                            |               |
| As at April 01, 2017  | 42.40                      | 424.03        |
| Issued during the year  | -                          | -             |
| As at March 31, 2018  | 42.40                      | 424.03        |
| As at April 01, 2018  | 42.40                      | 424.03        |
| Issued during the year  | -                          | -             |
| <b>As at December 31, 2018</b>  | <b>42.40</b>               | <b>424.03</b> |

**d) Terms /rights attached to the equity shares:**

1 The Company has one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 All equity shares are held by holding company ,M/s Lumax Auto Technologies Ltd.

3 Details of shareholders holding more than 5% shares in the company

| Name of the shareholder                         | As at December 31, 2018 |                                | As at March 31, 2018    |                                |
|---|-------------------------|--------------------------------|-------------------------|--------------------------------|
|   | No. of shares (in lacs) | % holding in the equity shares | No. of shares (in lacs) | % holding in the equity shares |
| Equity shares of INR 10 each fully paid         |                         |                                |                         |                                |
| Lumax Auto Technologies Ltd. (Holding Company)* | 42.40                   | 100%                           | 42.40                   | 100%                           |
| * includes Nominee shares                       |                         |                                |                         |                                |

**17 Other equity**

|   | Retained earnings | FVTOCI Reserve | Securities premium | General reserve | Total            |
|---|-------------------|----------------|--------------------|-----------------|------------------|
| <b>As at April 1, 2017</b>                          | 14,728.80         | 142.11         | -                  | 233.40          | 15,104.31        |
| Profit for the year                                 | 1,473.36          | -              | -                  | -               | 1,473.36         |
| Other comprehensive income for the year, net of tax | 0.90              | 9.65           | -                  | -               | 10.55            |
| Less: Transferred from Retained Earnings to General | -172.18           | -              | -                  | 172.18          | -                |
| Less: Dividend declared & paid                      | -636.05           | -              | -                  | -               | -636.05          |
| Less: Tax on Dividend                               | -129.48           | -              | -                  | -               | -129.48          |
| <b>As at March 31, 2018</b>                         | 15,265.35         | 151.76         | -                  | 405.58          | 15,822.69        |
| <b>As at April 1, 2018</b>                          | 15,265.35         | 151.76         | -                  | 405.58          | 15,822.69        |
| Profit for the year                                 | 1,927.65          | -              | -                  | -               | 1,927.65         |
| Other comprehensive income for the year, net of tax | 0.75              | 7.33           | -                  | -               | 8.08             |
| Less: Transferred from Retained Earnings to General | -147.00           | -              | -                  | 147.00          | -                |
| Less: Dividend declared & paid                      | -848.06           | -              | -                  | -               | -848.06          |
| Less: Tax on Dividend                               | -174.32           | -              | -                  | -               | -174.32          |
| <b>As at December 31, 2018</b>                      | <b>16,024.37</b>  | <b>159.09</b>  | <b>-</b>           | <b>552.58</b>   | <b>16,736.04</b> |

**18 Provisions**

|                                    | As at December 31, 2018 | As at March 31, 2018 |
|------------------------------------|-------------------------|----------------------|
| <b>Non Current</b>                 |                         |                      |
| Provision for gratuity             | 42.91                   | 56.91                |
| Provision for compensated absences | 217.51                  | 194.90               |
| <b>TOTAL</b>                       | <b>260.42</b>           | <b>251.81</b>        |
| <b>Current</b>                     |                         |                      |
| Provision for gratuity             | 25.26                   | 25.26                |
| Provision for compensated absences | 18.52                   | 18.52                |
| <b>TOTAL</b>                       | <b>43.78</b>            | <b>43.78</b>         |

19 DEFERRED TAX

| PARTICULARS   | As at<br>December 31, 2018         | As at<br>March 31, 2018         |
|---|------------------------------------|---------------------------------|
| <b>DEFERRED TAX LIABILITY (NET)</b>   |                                    |                                 |
| Opening Balance   | 792.61                             | 728.51                          |
| Add: Tax effect of Fair Valuation of Equity Investments   | 3.94                               | 5.19                            |
| Tax effect of Remeasurement of Defined Benefits   | 0.40                               | 0.49                            |
| Transfer from Statement of Profit & Loss  | 8.61                               | 58.42                           |
| <b>Closing Balance</b>  | <b>805.56</b>                      | 792.61                          |
| <b>DEFERRED TAX ASSETS (A)</b>  |                                    |                                 |
| Expenditure covered u/s 43B of Income Tax Act.  |                                    |                                 |
| Leave Encashment  | 82.48                              | 74.58                           |
| Bonus   | 14.83                              | 17.71                           |
| Provision for Gratuity  | 23.82                              | 28.71                           |
| Expenditure covered u/s 35DD of Income Tax Act  | -                                  | 0.73                            |
| Provison for bad and doubtful debts   | -                                  | -                               |
| <b>Total- A</b>   | <b>121.13</b>                      | 121.73                          |
| <b>DEFERRED TAX LIABILITY (B)</b>   |                                    |                                 |
| Difference between carrying amount of Intangible Assets and Property, Plant & Equipments in the financial statements and Income Tax Act.  | 833.39                             | 828.39                          |
| Un-realised gain on Mutual Fund   | 8.96                               | 5.55                            |
| Fair Value of Investment in Equity  | 84.34                              | 80.40                           |
| <b>Total- B</b>   | <b>926.69</b>                      | 914.34                          |
|   |                                    |                                 |
| <b>DEFERRED TAX LIABILITY (NET) (B-A)</b>   | <b>805.56</b>                      | 792.61                          |
| <b>DEFERRED TAX MOVEMENT</b>  | <b>As at<br/>December 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
| Difference between carrying amount of Intangible Assets and Property, Plant and Equipment in the financial statements and Income Tax Act. | 5.00                               | 41.41                           |
| Un-realised gain on Mutual Fund   | 3.41                               | 5.55                            |
|   | <b>8.41</b>                        | 46.96                           |
| Expenditure covered u/s 43B of Income Tax Act.  |                                    |                                 |
| Leave Encashment  | 7.90                               | 6.63                            |
| Bonus   | -2.88                              | 0.37                            |
| Provision for Gratuity  | -4.89                              | -11.55                          |
| Expenditure covered u/s 35DD of Income Tax Act  | -0.73                              | -1.61                           |
| Provison for bad and doubtful debts   | -                                  | -5.79                           |
|   | <b>-0.60</b>                       | -11.95                          |
| Tax effect of Remeasurement of Defined Benefits   | 0.40                               | 0.49                            |
| <b>DEFERRED TAX EXPENSE/(INCOME) RECOGNISED IN PROFIT &amp; LOSS</b>  | <b>8.61</b>                        | 58.42                           |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**20 Trade payables**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>A. Trade payables</b>                                  |                            |                         |
| - Trade payables  | 3,686.09                   | 4,480.16                |
| - Related parties   | 488.70                     | 400.49                  |
| <b>B. Other payables</b>                                  |                            |                         |
| - Other payables  | 240.13                     | 52.29                   |
| <b>Total</b>  | <b>4,414.92</b>            | <b>4,932.94</b>         |
| <b>Payables to Micro and Small Enterprises</b>            | -                          | -                       |
| <b>Payables to Others than Mico and Small Enterprises</b> | <b>4,414.92</b>            | <b>4,932.94</b>         |

**21 Other financial liabilities**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Other financial liabilities at amortised cost</b> |                            |                         |
| <b>Current</b>                                       |                            |                         |
| Amount payable for property, plant and equipment     | 49.11                      | 76.49                   |
| Accrued Salaries & benefits to employees             | 418.14                     | 380.88                  |
| <b>Total</b>   | <b>467.25</b>              | <b>457.37</b>           |

**22 Other liabilities**

|                        | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|------------------------|----------------------------|-------------------------|
| <b>Current</b>         |                            |                         |
| Statutory dues         | 195.83                     | 155.75                  |
| Advance from customers | 88.70                      | 2.40                    |
| <b>Total</b>           | <b>284.53</b>              | 158.15                  |



23 Revenue from operations

The details of revenue from operations is as follows:

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Sale of products</b>                  |   |                                      |
| Finished goods                           | 23,841.85                                 | 33,463.60                            |
| Excise duty on sales                     | -   | 1,021.01                             |
| <b>Total sale of products (A)</b>        | <b>23,841.85</b>                          | <b>34,484.61</b>                     |
| <b>Other operating revenue:</b>          |   |                                      |
| Scrap sale                               | 31.93                                     | 35.64                                |
| Job work Income                          | 185.12                                    | 155.15                               |
| Die & tool sale                          | 47.74                                     | 315.67                               |
| <b>Total other operating revenue (B)</b> | <b>264.79</b>                             | <b>506.46</b>                        |
| <b>Revenue from operations (A+B)</b>     | <b>24,106.64</b>                          | <b>34,991.07</b>                     |

24 Other income

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Other non-operating income</b>                        |   |                                      |
| Interest income  |   |                                      |
| - On fixed deposits                                      | 75.33                                     | 93.43                                |
| - Others   | 5.16                                      | 6.01                                 |
| Excess Provision Written back                            | 1.15                                      | 46.42                                |
| Mutual Fund Income/realised/unrealised                   | 91.13                                     | 32.10                                |
| Royalty Income   | 126.03                                    | 160.48                               |
| Miscellaneous income                                     | 372.07                                    | 237.10                               |
| Rental Income  | 304.52                                    | 371.35                               |
| Net gain on foreign currency transaction and translation | -   | 1.72                                 |
| Gain on sales of fixed assets (net)                      | 0.62                                      | 5.45                                 |
| <b>Total</b>   | <b>976.01</b>                             | <b>954.06</b>                        |

**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**25 Cost of raw materials and components consumed**

**a) Raw material and components consumed**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Inventory at the beginning of the year               | <b>476.58</b>                                     | 279.99                               |
| Add: Purchases                                       | <b>16,959.86</b>                                  | 26,212.94                            |
| Less: Inventory at the end of the year               | <b>396.73</b>                                     | 476.58                               |
| <b>Cost of raw materials and components consumed</b> | <b>17,039.71</b>                                  | 26,016.35                            |

**b) Cost of moulds consumed**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Inventory at the beginning of the year | <b>1.20</b>                                       | 25.52                                |
| Add: Purchases made during the year    | <b>277.97</b>                                     | 236.08                               |
| Less: Inventory at the end of the year | <b>244.54</b>                                     | 1.20                                 |
| <b>Cost of moulds consumed</b>         | <b>34.63</b>                                      | 260.40                               |

(Amounts in INR lacs, unless otherwise stated)

## 26 (Increase)/Decrease in inventories of finished goods and work-in-progress

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Opening stock</b>   |   |                                      |
| - Finished goods   | 151.35                                    | 157.63                               |
| - Work-in progress   | 44.15                                     | 30.17                                |
| <b>Total A</b>   | <b>195.50</b>                             | 187.80                               |
| <b>Closing stock</b>   |   |                                      |
| - Finished goods   | 218.00                                    | 151.35                               |
| - Work-in progress   | 104.51                                    | 44.15                                |
| <b>Total B</b>   | <b>322.51</b>                             | 195.50                               |
| <b>Changes in inventories of finished goods</b>  |   |                                      |
| - Finished goods   | (66.65)                                   | 6.28                                 |
| - Work-in progress   | (60.36)                                   | (13.98)                              |
| <b>(Increase)/Decrease in inventories of finished goods and work-in-progress (A-B)</b> | <b>(127.01)</b>                           | (7.70)                               |

**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**27 Employee benefits expense**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Salaries, wages and bonus                  | <b>1,980.34</b>                                   | 2,257.37                             |
| Contributions to provident and other funds | <b>57.40</b>                                      | 72.86                                |
| Directors Remuneration incl. Commission    | <b>33.06</b>                                      | 25.51                                |
| Gratuity expense                           | <b>37.15</b>                                      | 42.24                                |
| Staff welfare expense                      | <b>190.05</b>                                     | 202.64                               |
| <b>Total</b>                               | <b>2,298.00</b>                                   | 2,600.62                             |

**28 Finance costs**

|                             | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|-----------------------------|---|--------------------------------------|
| Interest on term loans      | -   | -                                    |
| Interest on working capital | -   | -                                    |
| Interest paid to others     | -   | -                                    |
| <b>Total</b>                | -   | -                                    |

**29 Depreciation and amortization expense**

|   | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|---|---|--------------------------------------|
| Depreciation of tangible assets (refer note 3)          | <b>558.06</b>                                     | 779.90                               |
| Depreciation of investment in properties (refer note 4) | <b>43.26</b>                                      | 57.41                                |
| Amortization of intangible assets (refer note 5)        | <b>11.58</b>                                      | 15.33                                |
| <b>Total</b>  | <b>612.90</b>                                     | 852.64                               |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**30 Other expenses**

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Freight and forwarding charges                           | 188.05                                    | 210.89                               |
| Job-work charges   | 29.31                                     | 35.39                                |
| Electricity & Generator Operating Expenses               | 652.35                                    | 764.16                               |
| Consumption of Stores & Spares                           | 168.80                                    | 195.57                               |
| Testing Charges  | 7.46                                      | 16.34                                |
| Travelling and conveyance                                | 51.04                                     | 99.11                                |
| Packing material consumed                                | 286.42                                    | 412.91                               |
| Rent   | 10.72                                     | 8.60                                 |
| Security charges   | 36.77                                     | 53.82                                |
| Legal and professional fees                              | 12.99                                     | 18.16                                |
| Repairs and maintenance                                  |   |                                      |
| - Plant and machinery                                    | 176.37                                    | 175.17                               |
| - Building   | 31.04                                     | 53.63                                |
| - Others   | 157.04                                    | 178.70                               |
| Postage & Telephones                                     | 8.36                                      | 10.78                                |
| Rates and taxes  | 5.21                                      | 40.37                                |
| Statutory Audit Fee *                                    | 11.81                                     | 15.75                                |
| Insurance  | 10.74                                     | 20.35                                |
| CSR expenditure **                                       | 45.00                                     | 41.50                                |
| Vehicle expenses   | 19.14                                     | 22.19                                |
| Printing and stationery                                  | 9.84                                      | 14.08                                |
| Rebate & Discounts                                       | 1.68                                      | 6.97                                 |
| Warranty Claims & Line Rejections                        | 10.98                                     | 4.20                                 |
| Management fees  | 304.62                                    | 427.95                               |
| Realised/Unrealised loss on foreign exchange fluctuation | 10.31                                     | -                                    |
| Bad Debt Written off                                     | 1.15                                      | 66.50                                |
| Amount Written off                                       | 0.60                                      | -                                    |
| Fixed Assets written off                                 | -   | 4.24                                 |
| Miscellaneous expenses                                   | 34.16                                     | 48.79                                |
| <b>Total</b>   | <b>2,281.96</b>                           | <b>2,946.12</b>                      |

## 31 Income tax recognised in statement of Profit and Loss

| Particulars  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>(a) Tax Expenses</b>  |                            |                         |
| <b>Current Tax</b>   |                            |                         |
| In respect of the current year   | <b>1,006.20</b>            | 723.91                  |
| <b>Deferred Tax</b>  |                            |                         |
| In respect of the current year   | <b>8.61</b>                | 58.42                   |
| <b>Total Income Tax expense recognized in the current year</b>                                       | <b>1,014.81</b>            | 782.33                  |
| <b>(b) The Income tax expense for the year can be reconciled to the accounting profit as follows</b> |                            |                         |
| Profit before tax  | <b>2,942.46</b>            | 2,255.69                |
| Tax at the Indian Tax Rate of 34.944% (previous year 34.608%)  | <b>1,028.21</b>            | 780.65                  |
| Tax Effect of amount that are not deductible (taxable) in determining taxable profit                 |                            |                         |
| Corporate Social Responsibility expenditure  | <b>7.86</b>                | 7.00                    |
| Interest on Late deposit of TDS  | -                          | -                       |
| Prior period exp   | -                          | -                       |
| Difference due to change in tax rate   | -                          | 7.00                    |
| Disallowance of expenditure incurred on rented property (net)  | <b>(31.92)</b>             | (19.00)                 |
| Adjustment of current tax for prior period   | <b>1.64</b>                | (6.50)                  |
| Others   | <b>9.02</b>                | 13.18                   |
| <b>Total Tax</b>   | <b>1,014.81</b>            | 782.33                  |

**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF LUMAX AUTO TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AS AT DECEMBER 31, 2018**

**CONDENSED BALANCE SHEET AS AT DECEMBER 31, 2018**

*Amount in INR lacs, unless otherwise stated*

|  | Notes          | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|----------------|-----------------------|-------------------------|
| <b>ASSETS</b>  |                |                       |                         |
| <b>I. Non-current assets</b>   |                |                       |                         |
| Property, plant and equipment  | 3 (a)          | 14,167.26             | 13,917.40               |
| Capital work in progress   | 3 (b)          | 652.19                | 259.81                  |
| Intangible assets  | 4              | 121.23                | 98.50                   |
| Investment in a subsidiaries and a Joint venture                             | 5              | 4,259.71              | 1,630.92                |
| Income tax assets(net)   | 14             | 240.87                | -                       |
| Financial assets   |                |                       |                         |
| - Investments  | 6              | 8,847.30              | 11,474.14               |
| - Other financial assets   | 7              | 286.57                | 178.41                  |
| Other non- current assets  | 8              | 710.74                | 467.98                  |
|  | <b>(A)</b>     | <b>29,285.86</b>      | <b>28,027.16</b>        |
| <b>II. Current assets</b>  |                |                       |                         |
| Inventories  | 9              | 5,467.48              | 4,308.59                |
| Financial assets   |                |                       |                         |
| - Loans  | 10             | 48.31                 | 44.45                   |
| - Trade receivables  | 11             | 17,596.34             | 16,651.96               |
| - Cash and cash equivalents  | 12             | 185.20                | 817.75                  |
| - Other bank balances  | 13             | 13.15                 | 12.15                   |
| - Others financial assets  | 7              | 62.17                 | 59.33                   |
| Other current assets   | 8              | 588.10                | 905.34                  |
|  | <b>(B)</b>     | <b>23,960.76</b>      | <b>22,799.57</b>        |
| <b>Total Assets</b>  | <b>(A+B)</b>   | <b>53,246.62</b>      | <b>50,826.73</b>        |
| <b>EQUITY AND LIABILITIES</b>  |                |                       |                         |
| <b>I. Equity</b>   |                |                       |                         |
| Equity share capital   | 15             | 1,363.15              | 1,363.15                |
| Other equity   | 16             | 24,655.15             | 24,476.96               |
| <b>Total equity</b>  | <b>(A)</b>     | <b>26,018.30</b>      | <b>25,840.11</b>        |
| <b>Liabilities</b>   |                |                       |                         |
| <b>II. Non- current liabilities</b>  |                |                       |                         |
| Financial liabilities  |                |                       |                         |
| -Borrowings  | 17             | 34.58                 | 36.07                   |
| Deferred tax liabilities (net)   | 18             | 818.77                | 1,048.85                |
|  | <b>(B)</b>     | <b>853.35</b>         | <b>1,084.92</b>         |
| <b>III. Current liabilities</b>  |                |                       |                         |
| Financial liabilities  |                |                       |                         |
| - Borrowings   | 17             | 5,227.20              | -                       |
| - Trade payables   |                |                       |                         |
| - total outstanding dues of micro and small enterprises                      |                | -                     | -                       |
| - total outstanding dues of creditors other than micro and small enterprises | 19             | 17,503.31             | 18,817.91               |
| - Other financial liabilities  | 20             | 1,374.91              | 2,468.49                |
| Provisions   | 21             | 465.73                | 349.27                  |
| Other current liabilities  | 22             | 1,803.81              | 2,192.92                |
| Current Tax Liabilities (Net)  | 14             | -                     | 73.11                   |
|  | <b>(C)</b>     | <b>26,374.97</b>      | <b>23,901.70</b>        |
| <b>Total Liabilities</b>   |                | <b>27,228.32</b>      | <b>24,986.62</b>        |
| <b>Total equity and liabilities</b>  | <b>(A+B+C)</b> | <b>53,246.62</b>      | <b>50,826.73</b>        |

The accompanying notes form an integral part of these financial statements

**For Lumax Auto Technologies Limited**

Sd/ -

**Ashish Dubey**  
Chief Financial Officer

**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF LUMAX AUTO TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AS AT DECEMBER 31, 2018**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED DECEMBER 31, 2018**

*Amount in INR lacs, unless otherwise stated*

|             | Notes  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |                  |
|-------------|--|--------------------------------------|--------------------------------------|------------------|
| I           | Revenue from operations  | 23                                   | 62,389.12                            | 60,750.77        |
| II          | Other income   | 24                                   | 2,124.28                             | 1,499.47         |
| <b>III</b>  | <b>Total income</b>  |                                      | <b>64,513.39</b>                     | <b>62,250.24</b> |
| <b>IV</b>   | <b>Expenses</b>  |                                      |                                      |                  |
|             | Cost of raw material and components consumed   | 25                                   | 33,967.16                            | 28,858.12        |
|             | Cost of moulds consumed  | 26                                   | -                                    | 540.11           |
|             | Purchases of traded goods  |                                      | 10,591.96                            | 12,641.51        |
|             | (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods                      | 27                                   | (614.35)                             | (519.43)         |
|             | Excise duty on sale of goods   |                                      | -                                    | 1,157.49         |
|             | Employee benefits expense  | 28                                   | 5,792.90                             | 5,660.29         |
|             | Finance costs  | 29                                   | 310.58                               | 269.45           |
|             | Depreciation and amortization expense  | 30                                   | 1,073.69                             | 1,332.63         |
|             | Other expenses   | 31                                   | 8,109.29                             | 8,026.56         |
| <b>V</b>    | <b>Total expenses</b>  |                                      | <b>59,231.22</b>                     | <b>57,966.73</b> |
| <b>VI</b>   | <b>Profit before exceptional items and tax (III-V)</b>   |                                      | <b>5,282.18</b>                      | <b>4,283.51</b>  |
|             | Exceptional Item   | 32                                   | -                                    | 227.50           |
| <b>VII</b>  | <b>Profit before tax</b>   |                                      | <b>5,282.18</b>                      | <b>4,056.01</b>  |
| <b>VIII</b> | <b>Tax expense:</b>  |                                      |                                      |                  |
|             | Current tax  | 18                                   | 1,308.52                             | 1,132.22         |
|             | Adjustment of tax relating to earlier years  | 18                                   | 23.65                                | (1.08)           |
|             | Deferred tax   | 18                                   | 63.67                                | 3.10             |
| <b>IX</b>   | <b>Total tax expense</b>   |                                      | <b>1,395.84</b>                      | <b>1,134.24</b>  |
| <b>X</b>    | <b>Profit for the year (VII-IX)</b>  |                                      | <b>3,886.34</b>                      | <b>2,921.77</b>  |
| <b>XI</b>   | <b>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 p  | 33                                   | 34.94                                | 46.58            |
|             | Income tax effect  | 33                                   | (12.21)                              | (16.28)          |
|             | Gain on FVTOCI equity securities   | 33                                   | (2,626.84)                           | 4,232.55         |
|             | Income tax effect  | 33                                   | 305.97                               | (202.72)         |
| <b>XII</b>  | <b>Other comprehensive income for the year, net of tax</b>   |                                      | <b>(2,298.14)</b>                    | <b>4,060.13</b>  |
| <b>XIII</b> | <b>Total comprehensive income of the year, net of tax</b>  |                                      | <b>1,588.19</b>                      | <b>6,981.90</b>  |
|             | <b>Earnings per share (In Rs.) :</b>   |                                      |                                      |                  |
|             | 1) Basic   | 34                                   | 5.70                                 | 4.29             |
|             | 2) Diluted   | 34                                   | 5.70                                 | 4.29             |

The accompanying notes form an integral part of these financial statements

**For Lumax Auto Technologies Limited**

Sd/ -

**Ashish Dubey**  
Chief Financial Officer

(61)



**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated*

**3. Property, plant and equipment and capital work in progress**

**a) Property, plant and equipment (net)**

The details of property, plant and equipment (net) :

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| Freehold land            | 519.81                        | 519.81                          |
| Leasehold Land           | 300.06                        | 304.35                          |
| Building                 | 2,440.19                      | 2,358.31                        |
| Buildings (Non- Factory) | 1,179.95                      | 1,272.86                        |
| Plant and Equipment's    | 9,236.81                      | 8,947.12                        |
| Furniture and Fixtures   | 154.20                        | 167.18                          |
| Office Equipment's       | 63.38                         | 54.46                           |
| Vehicles                 | 210.08                        | 241.76                          |
| Computers                | 62.97                         | 51.55                           |
| <b>Total</b>             | <b>14,167.26</b>              | <b>13,917.40</b>                |

**b) Capital work in progress**

The details of capital work in progress:

|                            | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|----------------------------|-------------------------------|---------------------------------|
| Capital work in progress * | 652.19                        | 259.81                          |
| <b>Total</b>               | <b>652.19</b>                 | <b>259.81</b>                   |

\* Capital work in progress as at December 31, 2018 comprises expenditure for the plant and equipment's.

**17 Intangible assets**

**a) Details of intangible assets:**

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| <b>Intangible assets</b> |                               |                                 |
| - Computer software      | 121.23                        | 98.50                           |
| <b>Total</b>             | <b>121.23</b>                 | <b>98.50</b>                    |

LUMAX AUTO TECHNOLOGIES LIMITED  
 Statement of Changes in equity for the year ended December 31, 2018

Amount in INR lacs, unless otherwise stated

|                                   | Share capital*<br>(1) | Other Equity         |                    |                       |                 |                   | Total Reserves<br>and surplus<br>(2) | Total equity<br>(1+2) |
|-----------------------------------|-----------------------|----------------------|--------------------|-----------------------|-----------------|-------------------|--------------------------------------|-----------------------|
|                                   |                       | Retained<br>earnings | Capital<br>Reserve | Securities<br>premium | General reserve | FVTOCI reserve    |                                      |                       |
| As at April 01, 2017              | 1,363.15              | 7,021.62             | 69.09              | 4,528.55              | 1,477.00        | 5,039.48          | 18,135.74                            | 19,498.89             |
| Add: Profit for the year          | -                     | 2,921.77             | -                  | -                     | -               | -                 | 2,921.77                             | 2,921.77              |
| Add: Other comprehensive income   | -                     | 30.30                | -                  | -                     | -               | 4,029.83          | 4,060.13                             | 4,060.13              |
| <b>Total comprehensive income</b> | -                     | <b>2,952.07</b>      | -                  | -                     | -               | <b>4,029.83</b>   | <b>6,981.90</b>                      | <b>6,981.90</b>       |
| Less : Dividend Paid              | -                     | (640.68)             | -                  | -                     | -               | -                 | (640.68)                             | (640.68)              |
| <b>As at March 31, 2018</b>       | <b>1,363.15</b>       | <b>9,333.01</b>      | <b>69.09</b>       | <b>4,528.55</b>       | <b>1,477.00</b> | <b>9,069.31</b>   | <b>24,476.96</b>                     | <b>25,840.11</b>      |
| Add: Profit for the year          | -                     | 3,886.34             | -                  | -                     | -               | -                 | 3,886.34                             | 3,886.34              |
| Add: Other comprehensive income   | -                     | 22.73                | -                  | -                     | -               | (2,320.86)        | (2,298.14)                           | (2,298.14)            |
| <b>Total comprehensive income</b> | -                     | <b>3,909.07</b>      | -                  | -                     | -               | <b>(2,320.86)</b> | <b>1,588.20</b>                      | <b>1,588.20</b>       |
| Less: Dividend Paid               | -                     | (1,410.01)           | -                  | -                     | -               | -                 | (1,410.01)                           | (1,410.01)            |
| <b>As at Decemeber 31, 2018</b>   | <b>1,363.15</b>       | <b>11,832.07</b>     | <b>69.09</b>       | <b>4,528.55</b>       | <b>1,477.00</b> | <b>6,748.45</b>   | <b>24,655.15</b>                     | <b>26,018.30</b>      |

5 Investment in a subsidiaries and a Joint venture

Details of Investment

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>-Investment in subsidiaries</b>                  |                       |                         |
| <i>unquoted , valued at cost</i>                    |                       |                         |
| Lumax DK Auto Industries Limited                    | 123.66                | 123.66                  |
| Lumax Mannoh Allied Technologies Private Limited    | 2.51                  | 2.51                    |
| Lumax Integrated Ventures Private Limited           | 81.89                 | 81.89                   |
| Lumax Management Services Private Limited           | 2,808.60              | 413.35                  |
| Lumax Cornaglia Auto Technologies Private Limited   | 590.71                | 590.71                  |
| Lumax Gill-Austem Auto Technologies Private Limited | 418.80                | 418.80                  |
| <b>- Investment in Joint ventures</b>               |                       |                         |
| <i>unquoted , valued at cost</i>                    |                       |                         |
| Lumax Ituran Telematic Private Limited              | 33.54                 | -                       |
| Lumax FAE   | 200.00                | -                       |
| <b>Total</b>  | <b>4,259.71</b>       | <b>1,630.92</b>         |

LUMAX AUTO TECHNOLOGIES LIMITED

Notes to financial statements for the Period ended Dec 31, 2018

6 Investments

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Investments</b>  |                       |                         |
| <i>Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*</i> | 8,847.30              | 11,474.14               |
| <i>Investment in equity instruments (Unquoted)</i>  | -                     | -                       |
|   | <b>8,847.30</b>       | <b>11,474.14</b>        |
| <b>Current</b>  | -                     | -                       |
| <b>Non- current</b>   | <b>8,847.30</b>       | <b>11,474.14</b>        |

7 Other financial assets

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Other financial assets</b>                             |                       |                         |
| <b>Non- current</b>                                       |                       |                         |
| <b>Security Deposits</b>                                  |                       |                         |
| - Considered good   | 286.57                | 173.41                  |
| - Doubtful  | -                     | 5.00                    |
|   | 286.57                | 178.41                  |
| Provision for bad & doubtful debts                        | (5.00)                | (5.00)                  |
|   | 281.57                | 173.41                  |
| Deposits with remaining maturity for more than 12 months* | 5.00                  | 5.00                    |
|   | <b>286.57</b>         | <b>178.41</b>           |
| <b>Current</b>  |                       |                         |
| Interest accrued but not due                              | 3.17                  | 10.01                   |
| Other recoverables  | 59.01                 | 49.32                   |
|   | <b>62.17</b>          | <b>59.33</b>            |
| <b>Total</b>  | <b>348.74</b>         | <b>237.74</b>           |
| <b>Current</b>  | <b>62.17</b>          | <b>59.33</b>            |
| <b>Non- Current</b>                                       | <b>286.57</b>         | <b>178.41</b>           |
|   | <b>348.74</b>         | <b>237.74</b>           |

**8 Other assets**  
(Unsecured, considered good, unless otherwise stated)

The details of other assets:

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| <b>Non- current</b>                              |                       |                         |
| Advances for property, plant and equipment       | 266.37                | 243.28                  |
| Income tax refund receivable                     | 145.32                | 140.24                  |
| Balances with statutory/government authorities * | 299.05                | 84.46                   |
| <b>Total (A)</b>                                 | <b>710.74</b>         | <b>467.98</b>           |
| <b>Current</b>                                   |                       |                         |
| Balance with statutory / government authorities  | 14.97                 | 463.23                  |
| Advance to suppliers                             | 422.38                | 367.24                  |
| Prepaid expenses                                 | 90.65                 | 34.02                   |
| Assets classified as held for sale               | -                     | -                       |
| Others advances                                  | 60.10                 | 40.85                   |
| <b>Total (B)</b>                                 | <b>588.10</b>         | <b>905.34</b>           |
| <b>Total (A+B)</b>                               | <b>1,298.84</b>       | <b>1,373.32</b>         |
| <b>Total current</b>                             | <b>588.10</b>         | <b>905.34</b>           |
| <b>Total non -current</b>                        | <b>710.74</b>         | <b>467.98</b>           |

\* Balance with government authorities includes the amount of subsidy claim receivable on the capital investments made in the state of Maharashtra.

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9 Inventories

a) Details of inventories:

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| Raw materials (at cost)  | 2,591.36              | 2,212.71                |
| Work-in-progress (at cost)   | 441.16                | 271.23                  |
| Finished goods (at lower of cost and net realisable value)             | 690.75                | 408.01                  |
| Traded goods   | 1,504.03              | 1,342.35                |
| Moulds   | 133.45                | 0.52                    |
| Stores and spares  | 106.73                | 73.77                   |
| <b>Total inventories at the lower of cost and net realisable value</b> | <b>5,467.48</b>       | <b>4,308.59</b>         |

b) Stores and spares are capitalised if they meet the definition of property, plant and equipment as per Ind AS 16, otherwise they are classified as inventory.

As per Ind AS 16, Property, plant and equipment are tangible items that:

- i) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- ii) Are expected to be used during more than one period

Management has assessed that the useful life of stores and spares is less than one year, hence considered as part of inventories.

10 Loans

|                     | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---------------------|-----------------------|-------------------------|
| <b>Loans</b>        |                       |                         |
| Loan to Employees   | 48.31                 | 44.45                   |
|                     | <b>48.31</b>          | <b>44.45</b>            |
| <b>Current</b>      | 48.31                 | 44.45                   |
| <b>Non- current</b> | -                     | -                       |

11 Trade receivables

a) Details of trade receivables:

|                                | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--------------------------------|-----------------------|-------------------------|
| Trade receivables              | 17,596.34             | 16,651.96               |
| <b>Total Trade receivables</b> | <b>17,596.34</b>      | <b>16,651.96</b>        |

**12 Cash and cash equivalents**

|   | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|---|-------------------------------|---------------------------------|
| Balances with banks:                                    |                               |                                 |
| - On current accounts                                   | 175.96                        | 155.40                          |
| - Deposits with original maturity of less than 3 months | 0.63                          | 604.63                          |
| - on cash credit accounts                               | 4.63                          | 53.51                           |
| Cash on hand  | 3.97                          | 4.21                            |
| <b>Total</b>  | <b>185.20</b>                 | <b>817.75</b>                   |

**13 Other bank balances**

|   | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|---|-------------------------------|---------------------------------|
| <b>Other bank balances</b>  |                               |                                 |
| - Deposits having remaining maturity of more than 12 months   | 5.00                          | 5.00                            |
| - Deposits with remaining maturity more than 3 months but less than 12 months   | -                             | -                               |
| - on unpaid dividend account *  | 13.15                         | 12.15                           |
| <b>Total</b>  | <b>18.15</b>                  | <b>17.15</b>                    |
| Less: Deposits having remaining maturity of more than 12 months disclosed under other financial assets (refer note 7) | (5.00)                        | (5.00)                          |
| <b>Total</b>  | <b>13.15</b>                  | <b>12.15</b>                    |

\* The Company can utilise the balance only towards settlement of unclaimed dividend.

## 14 Current Tax Liabilities/ (assets) - net

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| Current tax liabilities / (assets) (net) | 240.87                | 73.11                   |

## 15 Share Capital

## a) Details of share capital is as follows:

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2017 |
|---|-----------------------|-------------------------|
| <b>Authorised share capital</b><br>750 lacs (March 31, 2018: 150 lacs) equity shares of Rs. 2 each<br>previous year Rs. 10 each                     | 1,500.00              | 1,500.00                |
|   | <b>1,500.00</b>       | <b>1,500.00</b>         |
| <b>Issued, subscribed and fully paid up capital</b><br>681.6 lacs (March 31, 2018: 136.32 lacs) equity shares of Rs. Rs. 2<br>each Previous 10 each | 1,363.15              | 1,363.15                |
|   | <b>1,363.15</b>       | <b>1,363.15</b>         |

## b. Reconciliation of authorised share capital

|                        | Equity Shares              |                 |
|------------------------|----------------------------|-----------------|
|                        | No. of shares<br>(in lacs) | Amount          |
| At March 31, 2017      | 150.00                     | 1,500.00        |
| At March 31, 2018      | 150.00                     | 1,500.00        |
| <b>At Dec 31, 2018</b> | <b>150.00</b>              | <b>1,500.00</b> |

## c. Reconciliation of issued, subscribed and paid up share capital

|   | Equity Shares              |                 |
|---|----------------------------|-----------------|
|   | No. of shares<br>(in lacs) | Amount          |
| <b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b> |                            |                 |
| At March 31, 2017   | 136.32                     | 1,363.15        |
| At March 31, 2018   | 136.32                     | 1,363.15        |
| <b>At Dec 31, 2018</b>  | <b>681.60</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 INR 10 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.

e) Details of shareholders holding more than 5% shares in the company

| Name of the shareholder  | As at December 31, 2018 |                                | As at March 31, 2018    |                                |
|--|-------------------------|--------------------------------|-------------------------|--------------------------------|
|  | No. of shares (in lacs) | % holding in the equity shares | No. of shares (in lacs) | % holding in the equity shares |
| Equity shares of INR 10 each fully paid                                  |                         |                                |                         |                                |
| Lumax Finance Private Limited, an enterprise with significant influence  | 24.22                   | 3.55%                          | 24.22                   | 3.55%                          |
| Dhanesh Kumar Jain, Director   | 16.55                   | 2.43%                          | 16.55                   | 2.43%                          |
| Albula Investment Fund Limited, an enterprise with significant influence | 12.32                   | 1.81%                          | 12.32                   | 1.81%                          |
| D. K. Jain & Sons ( HUF), an enterprise with significant influence       | 11.81                   | 1.73%                          | 11.81                   | 1.73%                          |
| Deepak Jain, Director  | 9.15                    | 1.34%                          | 9.15                    | 1.34%                          |
| Anmol Jain, Managing, Director   | 8.62                    | 1.27%                          | 8.62                    | 1.27%                          |

16 Other equity

|  | Retained earnings | Capital Reserve | Securities premium | General reserve | FVTOCI reserve  | Total             |
|--|-------------------|-----------------|--------------------|-----------------|-----------------|-------------------|
| <b>At April 1, 2017</b>                              | 7,021.62          | 69.09           | 4,528.55           | 1,477.00        | 5,039.48        | <b>18,135.74</b>  |
| Profit for the year                                  | 2,921.77          | -               | -                  | -               | -               | <b>2,921.77</b>   |
| Other comprehensive income for the year (net of tax) | 30.30             | -               | -                  | -               | 4,029.83        | <b>4,060.13</b>   |
| Less : Dividend Paid                                 | (640.68)          | -               | -                  | -               | -               | <b>(640.68)</b>   |
| <b>At March 31, 2018</b>                             | <b>9,333.01</b>   | <b>69.09</b>    | <b>4,528.55</b>    | <b>1,477.00</b> | <b>9,069.31</b> | <b>24,476.96</b>  |
| Profit for the year                                  | 3,886.34          | -               | -                  | -               | -               | <b>3,886.34</b>   |
| Other comprehensive income for the year (net of tax) | 22.73             | -               | -                  | -               | (2,320.86)      | <b>(2,298.14)</b> |
| Less : Dividend Paid (Refer Note 42)                 | (1,410.01)        | -               | -                  | -               | -               | <b>(1,410.01)</b> |
| <b>At December 31, 2018</b>                          | <b>11,832.06</b>  | <b>69.09</b>    | <b>4,528.55</b>    | <b>1,477.00</b> | <b>6,748.45</b> | <b>24,655.15</b>  |

17 Borrowings

a) Details of long term borrowings:

|  | Effective interest rate | Maturity  | As at Dec 31, 2018 | As at March 31, 2018 |
|--|-------------------------|-----------|--------------------|----------------------|
| <b>Long term maturities of finance lease obligation</b>                            |                         |           |                    |                      |
| Vehicle loan from banks (secured)**  | 8 % -10%                | 2018-2021 | 84.87              | 96.47                |
| <b>Other loans</b>   |                         |           |                    |                      |
| Deferred sales tax loan (unsecured)***   | -                       | 2019      | -                  | 3.75                 |
| Less: current maturity disclosed under other financial liabilities (refer note 20) |                         |           |                    |                      |
| - term loan  |                         | 2018      | -                  | -                    |
| - vehicle loan   |                         | 2018-2019 | (50.28)            | (60.40)              |
| - deferred sales tax loan  |                         | 2019      | -                  | (3.75)               |
| <b>Total borrowings</b>  |                         |           | <b>34.58</b>       | <b>36.07</b>         |
| <b>Total current</b>   |                         |           | <b>50.28</b>       | <b>64.15</b>         |
| <b>Total non -current</b>  |                         |           | <b>34.58</b>       | <b>36.07</b>         |
| Aggregate secured loans  |                         |           | <b>84.87</b>       | <b>96.47</b>         |
| Aggregate unsecured loans  |                         |           | -                  | <b>3.75</b>          |

b) Details of short term borrowings:

|  | Effective interest rate | Maturity | As at Dec 31, 2018 | As at March 31, 2018 |
|--|-------------------------|----------|--------------------|----------------------|
| <b>Loan repayable On Demand (from financial institution)</b> |                         |          |                    |                      |
| Working capital loan repayable on demand*                    | 8.50%-9.50%             | 2018     | 4,500.00           | -                    |
| Cash Credit Account  |                         |          | 727.20             |                      |
| <b>Total</b>   |                         |          | <b>5,227.20</b>    | <b>-</b>             |

\* Working capital loan from financial institution is repayable in 90 days from respective drawdown and carries interest ranging between 8.50%-9.50% 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.

18 Income tax

(a) The major components of income tax expense for the years ended December 31, 2018 and March 31, 2017 are:

Statement of profit and loss:

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Current income tax:</b>  |                       |                         |
| Current income tax charge   | 1,308.52              | 1,132.22                |
| Adjustments in respect of current income tax of previous year         | 23.65                 | (1.08)                  |
| <b>Deferred tax :</b>   |                       |                         |
| Relating to origination and reversal of temporary differences         | 63.67                 | 3.10                    |
| <b>Income tax expense reported in the statement of profit or loss</b> | <b>1,395.84</b>       | <b>1,134.24</b>         |

(b) OCI section

Deferred tax related to items recognised in Other Comprehensive Income during the year:

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| Net loss/ (gain) on remeasurements of defined benefit plans | (12.21)               | (16.28)                 |
| Gain on financial assets                                    | 305.97                | (202.72)                |
| <b>Income tax charged to Other Comprehensive Income</b>     | <b>293.76</b>         | <b>(219.00)</b>         |

(c)

| Deferred tax:                | Balance sheet         |                         |
|------------------------------|-----------------------|-------------------------|
|                              | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
| Deferred tax liability (Net) | 818.77                | 1,048.85                |

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated*

**19 Trade payables**

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| <b>A. Trade payables</b> |                               |                                 |
| - Trade payables         | 15,696.14                     | 17,750.09                       |
| <b>B. Other payables</b> |                               |                                 |
| - Other payables         | 1,807.16                      | 1,067.82                        |
| <b>Total</b>             | <b>17,503.31</b>              | <b>18,817.91</b>                |

Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

**20 Other financial liabilities**

|  | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--|-------------------------------|---------------------------------|
| <b>Other financial liabilities at amortised cost</b> |                               |                                 |
| <b>Current</b>                                       |                               |                                 |
| Current maturity of long term loan                   | -                             | 3.75                            |
| Current maturity of vehicle loan                     | 50.28                         | 60.40                           |
| Amount payable for property, plant and equipment     | 186.23                        | 795.03                          |
| Accrued salaries                                     | 709.57                        | 1,170.07                        |
| Unsecured deposits from customers                    | 415.68                        | 427.09                          |
| Unpaid dividends *                                   | 13.15                         | 12.15                           |
| <b>Total</b>   | <b>1,374.91</b>               | <b>2,468.49</b>                 |
| <b>Total current</b>                                 | <b>1,374.91</b>               | <b>2,468.49</b>                 |
| <b>Total non- current</b>                            | <b>-</b>                      | <b>-</b>                        |

21 Provisions

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| <b>Current</b>                         |                       |                         |
| <b>Provision for employee benefits</b> |                       |                         |
| Provision for gratuity                 | 279.71                | 232.90                  |
| Provision for compensated absences     | 186.02                | 116.37                  |
| <b>Total</b>                           | <b>465.73</b>         | <b>349.27</b>           |
| <b>Current</b>                         | <b>465.73</b>         | <b>349.27</b>           |
| <b>Non- Current</b>                    | -                     | -                       |

22 Other liabilities

Details of other liabilities

|                          | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|-----------------------|-------------------------|
| <b>Current</b>           |                       |                         |
| Statutory dues           | 258.10                | 724.93                  |
| Other liabilities (net)* | 1,545.71              | 1,467.99                |
| <b>Total</b>             | <b>1,803.81</b>       | <b>2,192.92</b>         |
| <b>Current</b>           | 1,803.81              | 2,192.92                |
| <b>Non-current</b>       | -                     | -                       |

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23 Revenue from operations

a) The details of revenue from operations is as follows:

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>Sale of products</b>                  |                                      |                                      |
| Finished goods                           | 47,605.28                            | 43,072.84                            |
| Traded goods                             | 14,731.19                            | 17,030.97                            |
| <b>Total sale of products (A)</b>        | <b>62,336.47</b>                     | <b>60,103.81</b>                     |
| <b>Other operating revenue:</b>          |                                      |                                      |
| Scrap sale                               | 52.64                                | 28.46                                |
| Mould and tool sale                      | -                                    | 618.50                               |
| <b>Total other operating revenue (B)</b> | <b>52.64</b>                         | <b>646.96</b>                        |
| <b>Revenue from operations (A+B)</b>     | <b>62,389.12</b>                     | <b>60,750.77</b>                     |

24 Other income

|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>Other non-operating income</b>           |                                      |                                      |
| Interest income                             |                                      |                                      |
| - On fixed deposits                         | 13.38                                | 13.74                                |
| - Others                                    | 2.60                                 | 6.78                                 |
| Discount received                           | 61.77                                | 68.42                                |
| Liabilities no longer required written back | 32.14                                | 92.26                                |
| Miscellaneous income                        | 571.10                               | 226.85                               |
| Rental Income                               | 187.33                               | 216.53                               |
| Dividend Income                             | 1,255.96                             | 874.89                               |
| <b>Total</b>                                | <b>2,124.28</b>                      | <b>1,499.47</b>                      |

**25 Cost of raw materials and components consumed**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year               | 2,212.71                             | 1,053.58                             |
| Add: Purchases                                       | 34,345.80                            | 30,017.25                            |
| Less: Inventory at the end of the year               | (2,591.36)                           | (2,212.71)                           |
| <b>Cost of raw materials and components consumed</b> | <b>33,967.16</b>                     | <b>28,858.12</b>                     |

**26 Cost of moulds consumed**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year | 0.52                                 | 26.15                                |
| Add: Purchases made during the year    | 132.92                               | 514.48                               |
| Less: Inventory at the end of the year | (133.45)                             | (0.52)                               |
| <b>Cost of moulds consumed</b>         | <b>-</b>                             | <b>540.11</b>                        |

**27 (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>Opening stock</b>   |                                      |                                      |
| - Finished goods   | 408.01                               | 275.12                               |
| -Traded Goods  | 1,342.35                             | 1,061.08                             |
| - Work-in progress   | 271.23                               | 165.96                               |
| <b>Total (A)</b>   | <b>2,021.59</b>                      | <b>1,502.16</b>                      |
| <b>Closing stock</b>   |                                      |                                      |
| - Finished goods   | 690.75                               | 408.01                               |
| -Traded Goods  | 1,504.03                             | 1,342.35                             |
| - Work-in progress   | 441.16                               | 271.23                               |
| <b>Total (B)</b>   | <b>2,635.94</b>                      | <b>2,021.59</b>                      |
| <b>Changes in inventories of finished goods</b>  |                                      |                                      |
| - Finished goods   | (282.74)                             | (132.89)                             |
| -Traded Goods  | (161.68)                             | (281.27)                             |
| - Work-in progress   | (169.93)                             | (105.27)                             |
| <b>(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)</b> | <b>(614.35)</b>                      | <b>(519.43)</b>                      |

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated*

**28 Employee benefits expense**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus                  | 5,413.78                             | 5,243.53                             |
| Contributions to provident and other funds | 177.73                               | 210.35                               |
| Gratuity expense                           | 91.33                                | 75.24                                |
| Staff welfare expense                      | 110.05                               | 131.17                               |
| <b>Total</b>                               | <b>5,792.90</b>                      | <b>5,660.29</b>                      |

**29 Finance costs**

|                             | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|-----------------------------|--------------------------------------|--------------------------------------|
| Interest on term loans      | -                                    | 50.24                                |
| Interest on working capital | 149.93                               | 95.44                                |
| Interest paid to others     | 160.66                               | 123.77                               |
| <b>Total</b>                | <b>310.58</b>                        | <b>269.45</b>                        |

**30 Depreciation and amortization expense**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Depreciation of tangible assets (note 3)   | 1,040.62                             | 1,296.40                             |
| Amortization of intangible assets (note 4) | 33.07                                | 36.23                                |
| <b>Total</b>                               | <b>1,073.69</b>                      | <b>1,332.63</b>                      |

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**LUMAX AUTO TECHNOLOGIES LIMITED**
**Notes to financial statements for the Period ended Dec 31, 2018**
*Amount in INR lacs, unless otherwise stated*
**31 Other expenses**

|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Freight and forwarding charges                      | 1,104.40                             | 1,292.51                             |
| Job-work charges                                    | 1,737.82                             | 1,539.64                             |
| Power and fuel                                      | 814.57                               | 817.49                               |
| Consumables   | 674.24                               | 462.21                               |
| Travelling and conveyance                           | 397.95                               | 389.13                               |
| Packing material consumed                           | 346.75                               | 408.45                               |
| Rent  | 326.19                               | 319.51                               |
| Security charges                                    | 131.09                               | 146.04                               |
| Legal and professional fees                         | 160.17                               | 223.78                               |
| Repairs and maintenance                             |                                      |                                      |
| - Plant and machinery                               | 412.59                               | 594.51                               |
| - Building  | 32.53                                | 72.13                                |
| - Others  | 55.55                                | 65.00                                |
| Communication cost                                  | 53.67                                | 61.90                                |
| Rates and taxes                                     | 54.46                                | 64.93                                |
| Payment to auditors (refer detail below)*           | 46.04                                | 46.04                                |
| Insurance   | 36.09                                | 42.62                                |
| CSR expenditure (refer details below)**             | 49.50                                | 40.66                                |
| Vehicle expenses                                    | 80.02                                | 69.72                                |
| Printing and stationery                             | 33.31                                | 39.51                                |
| Advertisement and sales promotion                   | 10.05                                | 31.46                                |
| Water charges                                       | 23.48                                | 22.27                                |
| Commission to selling agent                         | -                                    | -                                    |
| Director's sitting fees                             | 9.24                                 | 9.00                                 |
| Management fees                                     | 1,028.86                             | 788.46                               |
| Increase of excise duty on inventory                | -                                    | (21.09)                              |
| Loss on sales of Property plant , equipment's (net) | 1.74                                 | 14.92                                |
| Exchange difference (net)                           | 173.13                               | 16.97                                |
| Provision for doubtful debts and advances           | -                                    | 30.51                                |
| Miscellaneous expenses                              | 315.86                               | 676.31                               |
| <b>Total</b>  | <b>8,109.29</b>                      | <b>8,026.56</b>                      |

**32 Exceptional item**

|                          | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--------------------------|--------------------------------------|--------------------------------------|
| Employee separation cost | -                                    | 227.50                               |
| <b>Total</b>             | <b>-</b>                             | <b>227.50</b>                        |

**33 Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

| Particulars   | Retained earnings                    |                                      |
|---|--------------------------------------|--------------------------------------|
|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
| Re-measurement gains/ (losses) on defined benefit plans | 34.94                                | 46.58                                |
| Deferred tax thereon                                    | (12.21)                              | (16.28)                              |
| Gain on FVTOCI equity securities                        | (2,626.84)                           | 4,232.55                             |
| Deferred tax thereon                                    | 305.97                               | (202.72)                             |
|   | <b>(2,298.14)</b>                    | <b>4,060.13</b>                      |

**34 Earnings per share (EPS)**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Profit attributable to the equity holders of the Company                     | 3,886.34                             | 2,921.77                             |
| Weighted average number of equity shares for basic and diluted EPS (in lacs) | 681.58                               | 681.58                               |
| Basic and diluted earnings per share (face value Rs. 2 each share)           | 5.70                                 | 4.29                                 |

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LUMAX AUTO TECHNOLOGIES LIMITED  
Cash flow statement for year ended December 31, 2018

*Amount in INR lacs, unless otherwise stated*

|  | Year Ended<br>December 31, 2018 | Year Ended<br>March 31, 2018 |
|--|---------------------------------|------------------------------|
| Net cash generated from operating activities (A)                 | 9,462.85                        | 5,122.56                     |
| Net cash used in investing activities (B)                        | (4,783.33)                      | (1,359.30)                   |
| Net cash used in financing activities (C )                       | (5,312.07)                      | (4,206.75)                   |
| Net (decrease)/Increase in cash and cash equivalents (A + B + C) | (632.55)                        | (443.49)                     |
| Cash and cash equivalents at the beginning of the year           | 817.75                          | 1,261.24                     |
| <b>Cash and cash equivalents at the end of the year</b>          | <b>185.20</b>                   | <b>817.75</b>                |

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## **Lumax Auto Technologies Limited**

### **Notes forming part of the Financial Information**

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#### **1. Corporate Information**

Lumax Auto Technologies Limited (the 'Company') is a company domiciled in India, with its registered office situated Regd. Office : Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune-411026. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India (NSE). The Company is primarily involved in manufacturing of Automobile Components and Parts thereof.

#### **2. Basis of preparation**

The condensed Balance sheet as at December 31, 2018, the condensed Statement of Profit and Loss, the condensed Cash flow statement, the condensed Statement of Changes in Equity for the 9 months period ended December 31, 2018 and other explanatory notes ("financial information") represents the standalone financial information of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India, including the Indian accounting standard (Ind AS) prescribed under section 133 of the act.

The Company management had previously issued its audited financial statements for the year ended March 31, 2018 (Annual financial statements') on May 28, 2018 that were prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013, (the 'Act'), Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended & other relevant provisions of the Act ('financial statements').

Information as at December 31, 2018 and for the period then ended, is proposed to be sent to the Hon' ble National Company Law Tribunal (NCLT), creditors, shareholders and other statutory authorities, in accordance with the requirements of the Companies Act 2013.

The financial results of the Company for the nine months period ended December 31, 2018 were reviewed by statutory auditors of the company and an unqualified Limited Review Report was given thereupon.

This compiled informations are not a complete set of financial statements prepared as per the requirements of the companies Act 2013 or the requirements of the Ind AS 34"Interim Financial Reporting.

#### **3. Significant accounting policies, accounting estimates, assumptions and judgements**

The accounting policies, accounting estimates, assumptions and judgements adopted in the compilation of these financial information are consistent with those followed in the preparation of the Company's latest Annual financial statements.

# LUMAX AUTO TECHNOLOGIES LIMITED

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

**Tel No.:** 011-49857832, **CIN:** L31909DL1981PLC349793

**E-Mail:** shares@lumaxmail.com, **Website:** www.lumaxautotech.com

## ATTENDANCE SLIP

### MEETING OF THE SECURED CREDITORS ON 5<sup>th</sup> July, 2019, AT 02:30 P.M.

I/We hereby record my/our presence at the Meeting of the Secured Creditors of Lumax Auto Technologies Limited, convened pursuant to the order dated May 14, 2019 and May 21, 2019 of the National Company Law Tribunal, Principal Bench at Air Force Auditorium, Subroto Park, New Delhi- 110010 on Friday, 5<sup>th</sup> July, 2019 at 02:30 P.M.

Name of the Secured Creditor \_\_\_\_\_ (In Block Letters)

Address of the Secured Creditor \_\_\_\_\_ (In Block Letters)

Name & Address of the Proxy or Company Representative \_\_\_\_\_ (In Block Letters)

Signature of the Secured Creditor or Proxy or Company Representative

#### **Note:**

- 1. Secured Creditors/Proxies/Company Representative are requested to bring the duly filled in Attendance Slip and hand it over at the entrance of the meeting hall.**
- 2. If you intend to appoint a proxy, please deposit duly filled in Proxy Form at the Registered Office of the Company at least 48 hours before the meeting.**

# LUMAX AUTO TECHNOLOGIES LIMITED

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

**Tel No. :** 011-49857832 **CIN:** L31909DL1981PLC349793

**E-Mail:** shares@lumaxmail.com **Website:** www.lumaxautotech.com

## PROXY FORM

I/We, the undersigned Secured Creditors of Lumax Auto Technologies Limited, being the Transferee Company above named do hereby appoint :

|           |                 |                    |
|-----------|-----------------|--------------------|
| <b>1.</b> | <b>Name :</b>   | <b>Email Id. :</b> |
|           | <b>Address:</b> | <b>Signature</b>   |
| <b>2.</b> | <b>Name :</b>   | <b>Email Id. :</b> |
|           | <b>Address:</b> | <b>Signature</b>   |
| <b>3.</b> | <b>Name :</b>   | <b>Email Id. :</b> |
|           | <b>Address:</b> | <b>Signature</b>   |

as my/ our proxy, to attend and vote through ballot paper for me / us and on my / our behalf at the meeting of the Secured Creditors of the Company to be held at Air Force Auditorium, Subroto Park, New Delhi- 110010 on Friday, 5th Day of July, 2019 at 02:30 P.M., by recording my / our assent or dissent to the said Resolution, by placing the tick (✓) mark at the appropriate box below:

| Sr.No. | Resolutions  | For | Against |
|--------|--|-----|---------|
| 1      | Approval of the Scheme of Amalgamation ("Scheme") of Lumax DKAuto Industries Limited (Transferor Company) with Lumax Auto Technologies Limited (Transferee Company) and their respective Shareholders and Creditors. |     |         |

*\*Strikeout what is not necessary.*

Signed this ..... day of 2019.

Signature of Secured Creditor .....

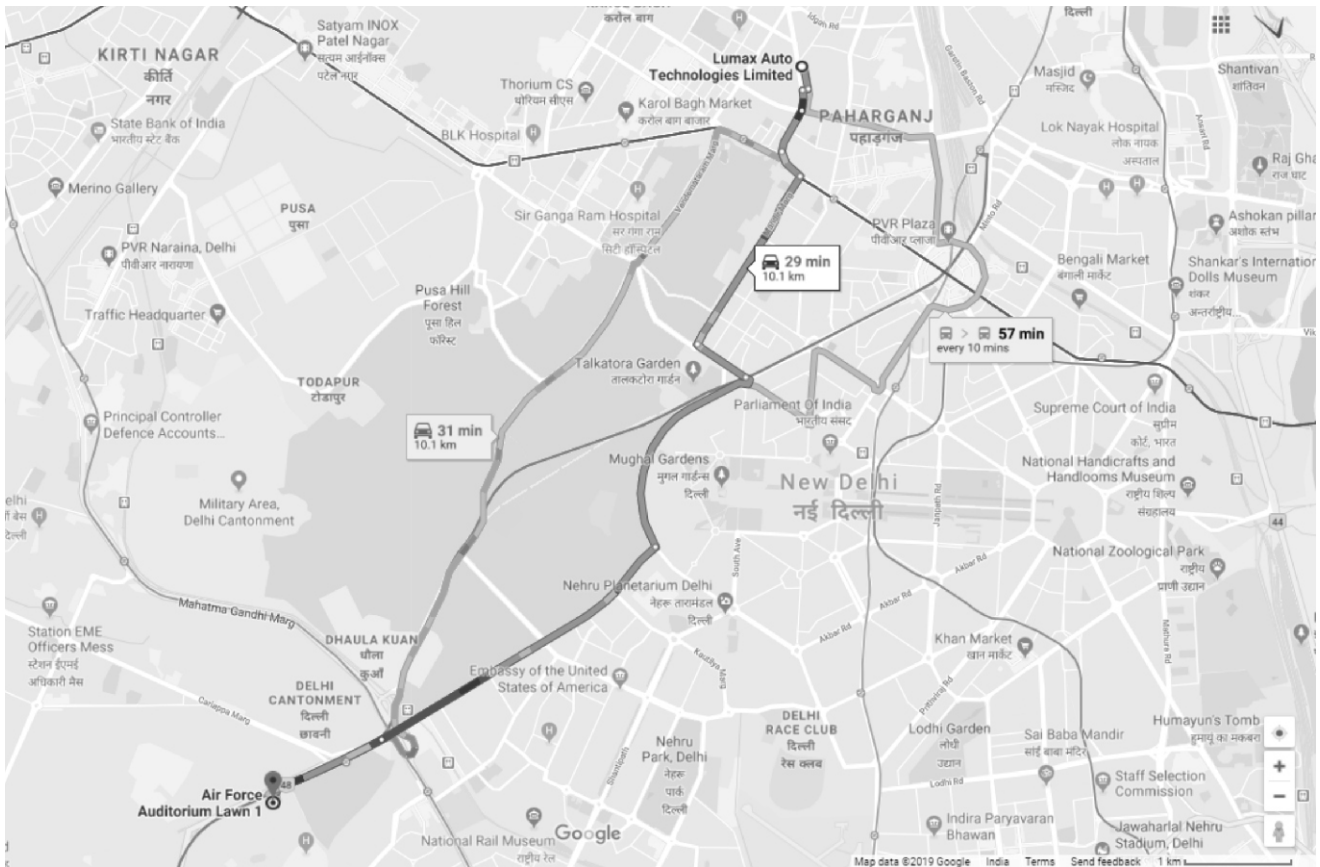


Signature of Proxy holder(s) .....

**Note:**

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
2. For the resolutions, explanatory statements and notes please refer to the notice of the Meeting.
3. \*\*It is optional to put ("✓") in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

# Route Map of NCLT Convened meeting of the Secured Creditors



**Venue:** Air Force Auditorium, Subroto Park, New Delhi- 110010

# LUMAX AUTO TECHNOLOGIES LIMITED

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

Tel No.: 011-49857832, CIN: L31909DL1981PLC349793

E-Mail: shares@lumaxmail.com, Website: www.lumaxautotech.com

## NOTICE OF THE MEETING OF THE UNSECURED CREDITORS OF LUMAX AUTO TECHNOLOGIES LIMITED

(Convened pursuant to order dated May 14, 2019 and May 21, 2019 passed by the Hon'ble National Company Law Tribunal, Principal Bench)

### DETAILS OF NCLT CONVENED MEETING OF UNSECURED CREDITORS

|              |   |
|--------------|---|
| <b>Day</b>   | Friday  |
| <b>Date</b>  | 5 <sup>th</sup> day of July, 2019                     |
| <b>Time</b>  | 3:00 P M (IST)  |
| <b>Venue</b> | Air Force Auditorium, Subroto Park, New Delhi- 110010 |

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**FORM NO. CAA 2**

[Pursuant to Section 230 (3) and Rule 6 and 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

**Company Application No. CA (CAA) 76 (PB)/ 2019**

**And**

**Company Application No. CA (CAA) 19(PB)/ 2019**

**And**

**Company Application No. CA 959 (PB)/ 2019**

**NOTICE CONVENING THE MEETING OF UNSECURED CREDITORS OF LUMAX AUTO TECHNOLOGIES LIMITED PURSUANT TO THE ORDER DATED MAY 14, 2019 AND MAY 21, 2019 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, PRINCIPAL BENCH AT NEW DELHI**

To

The Unsecured Creditors of **Lumax Auto Technologies Limited** (the "**Company**" or the "**Transferee Company**")

**NOTICE** is hereby given that by an order dated May 14, 2019 and May 21, 2019 (the "**Order**") in the abovementioned Company Application No. C.A. (CAA)-76/(PB)/ 2019 and Company Application No. C.A. (CAA) – 19 (PB)/ 2019 and Company Application CA - 959 (PB)/ 2019, the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi has directed a meeting to be held of the Unsecured Creditors of the Transferee Company ("**NCLT Convened Meeting**"), for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Lumax DK Auto Industries Limited ("**Transferor Company**") with Lumax Auto Technologies Limited ("**Transferee Company**") and their respective Shareholders and Creditors ("Scheme").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the Unsecured Creditors of the Company will be held to transact the special business at 03:00 PM, on Friday, 5<sup>th</sup> day of July, 2019 at Air Force Auditorium, Subroto Park, New Delhi- 110010 at which time and place the said Unsecured Creditors are requested to attend, to consider and if thought fit, approve with or without modification(s), the resolution set out below in this Notice under Sections 230 to 232 and other applicable provisions, if any of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) with the requisite majority.

**"RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, including all rules, circulars and notifications issued thereunder, as may be applicable, and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the National Company Law Tribunal Rules, 2016, applicable provisions, if any, and any other provision of any other applicable law / statute and in accordance with the relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi and approval of such other regulatory / statutory / government authority(ies), as may be necessary or as may be directed by the NCLT or such other competent authority(ies), as the case may be, approval of the unsecured creditors of the Company be and is hereby accorded to the proposed Scheme of Merger of Lumax DK Auto Industries Limited ("**Transferor Company**") with Lumax Auto Technologies Limited ("**Transferee Company**") and their respective Shareholders and Creditors ("**Scheme**")."

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter called the 'Board', which term shall be deemed to include any person(s) authorized and / or one or more committee(s) which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme of Amalgamation and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required or directed by the Hon'ble National Company Law Tribunal Principal Bench at New Delhi while sanctioning the Scheme or by any authorities under law or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board of Directors may deem fit and proper."

Explanatory Statement pertaining to the said resolution setting out the material facts and reasons thereof under Section 230, Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with copy of the Scheme and other annexures including Proxy Form and Attendance Slip (as indicated in the index) are enclosed herewith. Copies of the same can also be obtained free of cost from the registered office of the Company situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 or at the office of authorised representative of the Applicant Companies i.e. Shri Sanjay Grover/ Devesh Kumar Vasisht/ Neeraj Arora, Company Secretaries In Practise having office at B-88, 1st Floor, Defence Colony, New Delhi-110024.

The Hon'ble National Company Law Tribunal, New Delhi, has Ajay Bhagwati, Advocate as Chairperson and Shri Sanjeev Singhal, Chartered Accountant as an Alternate Chairperson of the said meeting.

Further, as directed by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, Shri Mayank Bansal, Chartered Accountant, has been appointed as a Scrutinizer for the said meeting of the Unsecured Creditors for conducting voting through ballot paper at the venue of the meeting in a fair and transparent manner.

The above-mentioned Scheme of Merger, if approved by the Unsecured Creditors in the aforesaid meeting, will be subject to the subsequent approval by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi.

Sd/-

**Dated:** 27th day of May, 2019

**Place:** New Delhi

**Ajay Bhagwati**  
**Chairperson appointed for the meeting**

**Registered Office of the Company:**

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

**NOTES:**

1. **AN UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY / PROXIES SO APPOINTED NEED NOT TO BE ANOTHER UNSECURED CREDITOR OF THE TRANSFEREE COMPANY. THE FORM OF PROXY DULY COMPLETED SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE TRANSFEREE COMPANY SITUATED AT 2ND FLOOR, HARBANS BHAWAN-II, COMMERCIAL COMPLEX, NANGAL RAYA, NEW DELHI - 110046 NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF COMMENCEMENT OF THE AFORESAID MEETING.**
2. All alterations made in the Form of Proxy should be initialed. Incomplete, unsigned, improperly or incorrectly completed proxy form may be rejected by the Scrutinizer.
3. Form of proxy is annexed to this Notice and can also be obtained from the registered office of the Transferee Company.
4. The Unsecured Creditors are ascertained as on February 28, 2019 i.e. cut-off date. The Voting rights of the Unsecured Creditors shall be in proportion to the outstanding amount due by the Transferee Company as on cut-off date. Individual notice, explanatory statement together with the accompanying documents is being sent to all Unsecured creditors of Transferee Company as on cut-off date by Courier at their registered address. The notice may also be accessed on the website of the Company i.e. [www.lumaxautotech.com](http://www.lumaxautotech.com).
5. The authorized representative of a Body Corporate, which is a Unsecured Creditor of the Transferee Company may attend and vote at the NCLT convened meeting of Unsecured Creditors of the Transferee Company provided a certified true copy of the resolution of the Board of Directors of such Body Corporate authorizing such representative to attend and vote at the NCLT Convened meeting of Unsecured Creditors is deposited at the registered office of the Transferee Company situated at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi - 110046 at least 48 hours before the commencement of the meeting.
6. Unsecured Creditors are requested to bring and hand over the enclosed Attendance Slip, duly filled and signed in accordance with their specimen signature(s) registered with the Transferee Company for admission to the meeting hall, accompanied by valid identity proof with photograph issued by any statutory/ government authority.
7. Route map and details of prominent landmark of the venue of the meeting is provided and forms part of the Notice.
8. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, an unsecured creditor would be entitled to inspect the proxies lodged at any time during the business hours of the Transferee Company, provided that not less than 3 (three) days of notice in writing is given to the Transferee Company.
9. The quorum of the Meeting of the Unsecured Creditors of the Transferee Company shall be 200 (Two Hundred). In case the quorum is not present in the Meeting at the scheduled time, then the Meeting shall be adjourned by half an hour, and thereafter, the person present at the Meeting shall be deemed to constitute the quorum.
10. Unsecured Creditors, as on the cut-off date, shall only be entitled to vote at the venue of Meeting on the resolution set forth in the Notice. It may be noted that the voting facility through ballot paper will be provided at the venue of the Meeting.
11. As directed by the Tribunal, Shri Mayank Bansal, Chartered Accountant, has been appointed as scrutinizer for the said NCLT convened meeting of the Unsecured Creditors for conducting the poll process in a fair and transparent manner. The Scrutinizer will after the conclusion of meeting submit its report NCLT appointed Chairperson of the meeting. Thereafter, as

per Order of Hon'ble Tribunal, the Chairperson shall report the result of the meeting to the Hon'ble Tribunal within 2 weeks of the conclusion of the meeting with regard to proposed Scheme.

- 12.** The documents referred to in the accompanying Notice and Explanatory Statement and pursuant to applicable provisions, shall be open for inspection, without any fee, by the Unsecured Creditors of Transferee Company at its registered office between 10.00 am to 5.00 pm on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the NCLT convened meeting.
- 13.** The Notice convening the aforesaid NCLT convened meeting will be published through advertisement in (i) Business Standard (in Delhi Edition), an English language and (ii) Jansatta (in Delhi Edition) in Hindi language.

**EXPLANATORY STATEMENT UNDER SECTION 230 & SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE NCLT CONVENED MEETING OF THE UNSECURED CREDITORS OF LUMAX AUTO TECHNOLOGIES LIMITED**

Hon'ble National Company Law Tribunal, Principal Bench at New Delhi, by Order dated May 14, 2019 and May 21, 2019 ("Order") in the Company Application referred to above, with respect to the Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective shareholders and creditors ("Scheme") has directed for convening a meeting of the Unsecured Creditors of Lumax Auto Technologies Limited ("NCLT convened meeting") on Friday, the 5<sup>th</sup> day of July, 2019 at 3:00 p.m. at Air Force Auditorium, Subroto Park, New Delhi- 110010 for the purpose of considering and if thought fit, approving, with or without modification(s), aforesaid Scheme of Merger.

1. The definitions contained in the Scheme will apply to this explanatory statement also.
2. A copy of the Scheme setting out in detail the terms and conditions of the Merger, *inter-alia*, providing for the proposed Scheme of Merger of Lumax DK Auto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective shareholders and creditors, which has been approved by the Board of Directors of the Transferee Company at its meeting held on 21<sup>st</sup> December, 2018 is attached to this explanatory statement and forms part of this statement as **Annexure A-1**.
3. Lumax DK Auto Industries Limited bearing CIN U34300DL1997PLC087110 (hereinafter referred to as "the Transferor Company") is a Public Company, limited by shares incorporated under the provisions of the Companies Act, 1956 on 07<sup>th</sup> of May, 1997 under the name and style of "Lumax GHSP Industries Limited" with Registrar of Companies, NCT of Delhi and Haryana. Thereafter, name of the Transferor Company/ Applicant Company was changed to "Lumax DK Auto Industries Limited" and in this regard, fresh Certificate of Incorporation was issued by Registrar of Companies, NCT of Delhi and Haryana on 04<sup>th</sup> day of March, 2003. At present, the Transferor Company/ Applicant Company is having its registered office at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 within the jurisdiction of this Hon'ble Tribunal. Email: cao@lumaxmail.com. Pan No. AAACL2186P. The shares of the Transferor Company are not listed on any stock exchange in India.
4. Details of change of registered office of Transferor Company during the last five years on 4<sup>th</sup> day of December 2017, Registered office of the Lumax DK Auto Industries Limited has been change within State of NCT of Delhi from B-86, Mayapuri Industrial Area, Phase-I, New Delhi-110064 to 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nagal Raya, New Delhi-110046.
5. Details of change of objects of Transferor Company during the last five years on 11th July, 2014 by revising the Objects clauses as per Companies Act, 2013.
6. The share capital structure of the Transferor Company as on 31st March, 2019 is as follows:

| Particulars   | Amount (in Rs.)       |
|---|-----------------------|
| <b>Authorised Share Capital</b>                       |                       |
| 2,11,00,000 Equity Shares of Rs.10/- each             | 21,10,00,000/-        |
| <b>Total Authorised Share Capital</b>                 | <b>21,10,00,000/-</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b>   |                       |
| 42,40,313 Equity Shares of Rs.10/- each fully paid up | 4,24,03,130/-         |
| <b>Total Paid-up Share Capital</b>                    | <b>4,24,03,130/-</b>  |

7. The Transferor Company is engaged in the manufacturing of automotive components. That the main objects of the Transferor Company are set out in its Memorandum of Association and one of the main object of the Transferor Company is to carry on the business as manufacturers, producers, fabricators, assemblers, agents, dealers, stockists, suppliers, contractors, jobbers, wholesalers, retailers, stores and warehousemen, importers, exporters, repairers, hirers of parts and components, assemblies and sub-assemblies of transmission and braking systems including those needed, required or desired for acceleration, deceleration, engaging and disengaging the supply of power whether manually, mechanically, electrically or electronically, for all types of motor cars, motor buses, motor trucks, tractors, three wheelers, motor cycles, scooters, mopeds, other automotive vehicles usable on land, sea or air whether propelled or assisted by means of petrol, diesel oil, motor spirit gas, steam, electrical or animal power.

8. The details of the Directors of the Transferor Company as on 31<sup>st</sup> March, 2019 are as under:

| S. No. | Name of Directors      | Designation            | Address   |
|--------|------------------------|------------------------|---|
| 1.     | Mr. Dhanesh Kumar Jain | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 2.     | Mr. Deepak Jain        | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 3.     | Mr. Anmol Jain         | Non-Executive Director | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 4.     | Mrs. Poysha Goyal Jain | Executive Director     | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 5.     | Mrs. Shivani Jain      | Executive Director     | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni New Delhi - 110030                       |
| 6.     | Mr. Naval Khanna       | Non-Executive Director | BL-51, Anand Vihar Jail Road, Hari Nagar, New Delhi-110064                                  |
| 7.     | Mr. Dhiraj Dhar Gupta  | Non-Executive Director | 1, Under Hill Lane, Civil Lines, Delhi - 110054   |
| 8.     | Mr. Sanjay Mehta       | Non-Executive Director | Apartment No. 7 B, Belgravia Tower E, Central Park-2, Sector-48, Chakarapur, Gurgaon-122002 |

9. The details of the promoters of the Transferor Company as on 31<sup>st</sup> March, 2019 are as under:

| S. No. | Name of the Promoters           | Address   |
|--------|---------------------------------|---|
| 1.     | Lumax Auto Technologies Limited | 2 <sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi – 110046 |

10. The Scheme has been approved unanimously by the Board of Directors of the Transferor Company at their meeting held on December 21, 2018. Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors      | Vote(favour /against/abstain from voting) |
|--------|------------------------|---|
| 1.     | Mr. Dhanesh Kumar Jain | Favour                                    |
| 2.     | Mr. Deepak Jain        | Favour                                    |
| 3.     | Mr. Anmol Jain         | Favour                                    |
| 4.     | Mrs. Poysha Goyal Jain | Favour                                    |
| 5.     | Mrs. Shivani Jain      | Favour                                    |
| 6.     | Mr. Dhiraj Dhar Gupta  | Leave of absence                          |
| 7.     | Mr. Naval Khanna       | Favour                                    |
| 8.     | Mr. Sanjay Mehta       | Favour                                    |

11. Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferor Company: Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.
12. Disclosure about the effect of the Scheme on the following persons of Transferor Company:

|                                      |   |
|--------------------------------------|---|
| Key managerial personnel(s)          | On the approval of the Scheme, Transferor Company will merge into Transferee Company and KMPs of Transferor Company will cease to hold their respective positions.            |
| Directors                            | On the approval of the Scheme, Transferor Company will merge into Transferee Company and Directors of Transferor Company No. 1 will cease to hold their respective positions. |
| Promoters and Non – promoter Members | The members including promoter members of the Transferor Company will cease to be the members of the Transferor Company,  |
| Depositors                           | No effect. There are no depositors  |

|                   |   |
|-------------------|---|
| Creditors         | No effect on the creditors. On the approval of the Scheme and with effect from the Appointed Date and subject to the provisions of Scheme of Merger, all creditors will be vested in and assumed by Transferee Company on the same terms and conditions, as before. |
| Deposit trustee   | No effect. There is no deposit trustee  |
| Debenture holders | No effect. There are no debenture holders   |
| Debenture trustee | No effect. There is no debenture trustee  |
| Employees         | No effect on the employees. On approval of the Scheme of Merger, and with effect from the Appointed Date all employees of the Transferor Company shall be deemed to have become the employees of Transferee Company.  |

13. **Lumax Auto Technologies Limited** bearing CIN L31909DL1981PLC349793(hereinafter referred to as “the Transferee Company”) is a listed public Company incorporated under the provisions of the Companies Act, 1956 on 30<sup>th</sup> day of October, 1981 under the name and style of “Lumax Auto Electricals Private Limited”. Thereafter, name of the Transferee Company was changed to “Dhanesh Auto Electricals Private Limited” and in this regard, a new certificate of incorporation was issued by Registrar of Companies, Bombay, Maharashtra on 02<sup>nd</sup> day of November, 1988. Thereafter, the Transferee Company was converted into Public Company i.e. “Dhanesh Auto Electricals Limited” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 30<sup>th</sup> day of May, 2002. Thereafter again, name of the Transferee Company was changed to “Lumax Auto Technologies Limited” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 02<sup>nd</sup> day of August, 2006. Further again, the registered office of the Transferee Company was shifted from State of Maharashtra in Pune to NCT of Delhi and Haryana vide order passed by the Regional Director (Western Region) dated April 23, 2019. Therefore, at present, the registered office of the Transferee Company is situated at 2<sup>nd</sup> Floor, Harbons Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046. Email: shares@lumaxmail.com. Pan No. AAACD4090Q. The equity shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

14. Details of change of registered office of Transferee Company during the last five years-

The registered office of the Transferee Company was shifted from State of Maharashtra in Pune to NCT of Delhi and Haryana vide order passed by the Regional Director (Western Region) dated April 23, 2019. Therefore, at present, the registered office of the Transferee Company is situated at 2<sup>nd</sup> Floor, Harbons Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046 within the jurisdiction of this Hon’ble NCLT.

15. Details of change of objects of Transferee Company during the last five years on 4th February, 2015 by adding clause 6 -To carry on business of manufacturer, importer, exporter, trader of and deal with all kinds of electronics systems Design and manufacturing(ESDM) products including automotive electronics, solar photovoltaic, consumer electronics, set top boxes, avionics, telecom, Light Emitting Diodes, electronics components and other allied goods .

16. The share capital structure of the Transferee Company as on 31<sup>st</sup> March 2019 is asfollows:

| Particulars   | Amount (in Rs.)       |
|---|-----------------------|
| <b>Authorised Share Capital</b>                     |                       |
| 7,50,00,000 Equity Shares of Rs. 2/- each.          | 15,00,00,000/-        |
| <b>Total Authorised Share Capital</b>               | <b>15,00,00,000/-</b> |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                       |
| 6,81,57,705 Equity Shares of Rs. 2/- each.          | 13,63,15,410/-        |
| <b>Total Paid-up Share Capital</b>                  | <b>13,63,15,410/-</b> |

17. The Transferee Company is engaged in the manufacturing of automotive components. That the main object of the Transferee Company is set out in its Memorandum of Association and one of the main object of the Transferee Company is to carry on the business of manufacturers of, dealer in, importers and exporters, hirers, repairers, cleaner, stores, and



warehouses of Automobile parts, agricultural implements and their Ancillaries (including motor cars, trucks, buses, tractor, dozers, road rollers, motor cycles, cycle cars, motors, scooters, bicycles, carriages and conveyance parts and ancillaries) whether propelled or assisted by means of petrol motor spirit, steam, gas, diesel oil, electrical, animal or other power.

18. Details of Directors of the Transferee Company as on 31<sup>st</sup> March 2019 are as under:

| S. No. | Name of Directors      | Designation            | Address  |
|--------|------------------------|------------------------|--|
| 1.     | Dhanesh Kumar Jain     | Executive Chairman     | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 2.     | Anmol Jain             | Managing Director      | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 3.     | Deepak Jain            | Non-Executive Director | Farm No.23, Road No. 1 Silver Oak Marg, Ghitorni New Delhi-110030                                    |
| 4.     | Sanjay Mehta           | Non-Executive Director | Apartment No. 7 B, Belgravia Tower-E, Central Park-2, Sector-48, Chakarpur, Gurgaon-122002           |
| 5.     | Arun Kumar Malhotra    | Independent Director   | E Tower - 802, the Plam Springs Golf Course Road, Sector 54 Sikanderpur, Ghosi(68), Gurgaon - 122002 |
| 6.     | Avinash Parkash Gandhi | Independent Director   | C-2/14, Safdarjung Development Area, New Delhi-110016  |
| 7.     | Roop Salotra           | Independent Director   | C-145, Sarvodaya Enclave, New Delhi-110017   |
| 8.     | Milap Jain             | Independent Director   | Flat No. C - 802, Prateek Stylome, Sector - 45, Noida, Gautam Buddha Nagar, Noida-201301             |
| 9.     | Kanchan Kumar Gandhi   | Independent Director   | A-4/503, Ekta Garden Apartments, 9, I.P. Extension Patparganj, Shakarpur, East Delhi - 110092        |
| 10.    | Diviya Chanana         | Independent Director   | D-79, Gulmohar Park, New Delhi - 110049  |

19. Details of Promoters of the Transferee Company as on 31<sup>st</sup> March 2019 are as under:

| S. No. | Name               | Address  |
|--------|--------------------|--|
| 1.     | Dhanesh Kumar Jain | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |
| 2.     | Deepak Jain        | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |
| 3.     | Anmol Jain         | Farm No. 23, Road No. 1, Silver Oak Marg, Ghitorni, New Delhi-110030 |

20. The Scheme has been approved unanimously by the Board of Directors of the Transferee Company at their meeting held on December 21, 2018. Details of voting at such meeting by the Board of Directors is as under-

| S. No. | Name of Directors      | Vote(favour/against/abstain from voting) |
|--------|------------------------|--|
| 1.     | Dhanesh Kumar Jain     | Favour                                   |
| 2.     | Deepak Jain            | Favour                                   |
| 3.     | Anmol Jain             | Favour                                   |
| 4.     | Arun Kumar Malhotra    | Favour                                   |
| 5.     | Avinash Parkash Gandhi | Favour                                   |
| 6.     | Diviya Chanana         | Leave of absence                         |
| 7.     | Sanjay Mehta           | Favour                                   |
| 8.     | Roop Salotra           | Leave of absence                         |
| 9.     | Milap Jain             | Favour                                   |
| 10.    | Kanchan Kumar Gandhi   | Favour                                   |

18. Disclosure about effect of compromise or arrangement on material interests of directors, Key Managerial Personnel and debenture trustee of Transferee Company: Please refer to below mentioned point for the effect of the Scheme on material interests of directors, key managerial personnel (KMP) and debenture trustee.
19. Disclosure about the effect of the Scheme on the following persons of Transferee Company:

|                                      |   |
|--------------------------------------|---|
| Key managerial personnel(s)          | No effect                                 |
| Directors                            | No effect                                 |
| Promoters and Non – promoter Members | No effect                                 |
| Depositors                           | No effect. There is no depositors         |
| Creditors                            | No effect                                 |
| Deposit trustee                      | No effect. There is no deposit trustee    |
| Debenture holders                    | No effect. There are no debenture holders |
| Debenture trustee                    | No effect. There is no debenture trustee  |
| Employees                            | No effect                                 |

21. **Relationship between parties, Rationale and Salient Features of the Scheme:**

a. **Relationship between the Companies:**

The Lumax DK Auto Industries Limited (Transferor Company) is wholly owned subsidiary of Lumax Auto Technologies Limited (Transferee Company).

b. **Rationale of the Scheme:**

- a) Achieving business and Administrative synergies.
- b) Consolidation and simplification of the group structure, cost savings resulting from rationalization, standardization and simplification of business processes and the elimination of duplication, and rationalization of administrative expenses, reduction in regulatory & legal compliances.
- c) Improved organizational capability arising from pooling of financial resources.
- d) Diversified portfolio in Manufacturing Business.
- e) Maximize the overall Shareholders' value by strengthening its core competencies and achieving economies of scale.
- f) The merger will improve the management of the Transferee Company by combining the legal entities and will reduce expenditure by eliminating administrative functions and multiple record keeping.

c. **Salient Features of the Scheme:**

The salient features of the Scheme are as follows:

1.3 **DEFINITIONS**

*In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:*

- a) *"The Act" means the Companies Act, 2013 along with Rules Framed thereunder or any statutory amendment and/or re-enactment thereof, from time to time and for the time being in force.*
- b) *"The Appointed Date" for the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means 1<sup>st</sup> April, 2018.*
- c) *"Board of Directors" or "Board" means the Board of Directors of the Transferor Company and/ or the Transferee Company, as the case may be, and shall unless it is repugnant to the context or otherwise, include a duly constituted Committee of Directors of the respected companies for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matters in relation thereto.*
- d) *"Legal Proceedings" means any proceedings taken by and/or against the Transferor Company in any Court/ Tribunal/ Forum/ Authority, as pending on the Appointed Date*
- e) *"SEBI" means Securities and Exchange Board of India established under the Securities Exchange Board of India Act, 1992.*



- f) “SEBI Circular” means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI applicable to the Schemes from time to time.
- g) “Scheme” or “This Scheme” or “the Scheme” or “Scheme of Merger” or “Scheme of Merger by way of Absorption” means the present Scheme of Merger by way of Absorption framed under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Rules framed thereunder as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as submitted in the present form or with any modification(s) imposed or directed by Shareholders / Creditors of the respective Transferor Company and Transferee Company and/or by the Hon’ble NCLT or by any competent authority(ies).
- h) “Stock Exchanges” means BSE Limited and National Stock Exchange of India Limited.
- i) “The Transferor Company” means Lumax DK Auto Industries Limited, is as explained in Preamble Clause (A) 1 of the Scheme.
- j) “The Transferee Company” means Lumax Auto Technologies Limited, is as explained in Preamble Clause (A) 2 of the Scheme.
- k) “Law” or “Applicable Law” includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, Tribunal, Court of India or any other country or jurisdiction as applicable.
- l) “National Company Law Tribunal” or “NCLT” or “Hon’ble Tribunal” means the Hon’ble National Company Law Tribunal at Mumbai having jurisdiction in relation to the Transferee Company and Hon’ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company.
- m) “National Company Law Appellate Tribunal” or “NCLAT” or “Hon’ble NCLAT” means the Hon’ble National Company Law Appellate Tribunal at New Delhi.
- n) “ROC” or “Registrar of Companies” means the Registrar of Companies, Pune having jurisdiction over the Transferee Company and Registrar of Companies, NCT of Delhi and Haryana having jurisdiction over the Transferor Company.
- o) “The Effective Date” in relation to the scheme, means last of the dates on which the certified copy of the order of Hon’ble National Company Law Tribunal sanctioning the Scheme of Merger are filed by the Transferor Company and the Transferee Company with the respective Registrar of Companies.

Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.

- p) “Undertaking” in relation to the Transferor Company, shall mean the entire Business of Transferor Company on a going concern basis as on appointed date.
- q) “IT Act” means the Income Tax Act, 1961, as amended from time to time.

All terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable law (as defined above), rules, regulations, bye-laws, as the case may be including any statutory modification or re-enactment thereof from time to time.

References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.

In this Scheme, where the context so requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

## **PART-II**

### **TRANSFER AND VESTING OF UNDERTAKINGS OF THE TRANSFEROR COMPANY IN TO THE TRANSFEE COMPANY**

- 2.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the entire business and the undertakings of the Transferor Company including without limitation, all the movable and immovable properties & assets, liabilities, losses, duties, obligations, including those arising on account of taxation laws and other allied laws, reserve & surplus including Securities Premium Account shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company pursuant to the sanction of this Scheme by the Hon’ble NCLT and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the Income-Tax Act, 1961, as a going concern, without any further act, instrument, deed, matter or thing to be made, done or executed.

- 2.2 *With effect from the commencement of business on the Appointed Date and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, entire undertaking along with business and all properties whether moveable or immovable or tangible or intangible wherever situated and also all other assets, capital, work-in-progress, current assets, movable assets, all investments in India or out of India, if any, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to, all licenses viz. business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, Know – how, Service marks, trade secrets, brands, copy rights, patents, quota rights, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures subsidies, capital subsidies, concessions, exemptions, Government Incentives, sales tax, Goods and Service Tax exemptions, approvals, clearances, environmental clearances, occupancy certificate, approval from fire department, approval for water, electricity and sewerage, approval from irrigation department, approval from underground water authority, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, Computer Software/licenses, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as “the said assets”) shall, without any further act, instrument or deed and without payment of any duty or other charges, be transferred to and vested in the Transferee Company as a going concern pursuant to the applicable provisions of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company.*
- 2.3 *Without prejudice to the generality of Clauses 2.1 and 2.2 above, upon occurrence of the Effective Date, the Transferor Company shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date.*

#### **2.4 TRANSFER OF ASSETS**

- 2.4.1 *All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.*
- 2.4.2 *Without prejudice to the provisions of Clause 2.4.1, it is expressly provided that in respect of such of the said assets and properties of the undertaking as are movable in nature or incorporeal property or are otherwise capable of being transferred by physical delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the Hon'ble NCLT or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the integral part of the Undertaking and property of the Transferee Company accordingly.*
- 2.4.3 *In respect of movables other than those dealt with in Clause 2.4.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.*
- 2.4.4 *All The assets and properties as on the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties, which are/if any, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.*
- 2.4.5 *For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, quotas, liberties, special status, certificates, clearances, authorities, powers of attorney, tax deferrals and all other benefits and privileges enjoyed or conferred upon or held or availed of by the Transferor Company or issued to or executed in favor of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.*
- 2.4.6 *For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, if any, including all the leases, of the Transferor Company shall without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.*

## **2.5 TRANSFER OF LIABILITIES**

- 2.5.1 *In accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Upon coming into effect of this Scheme, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.*
- 2.5.2 *All debts, liabilities, guarantees, indemnities, contingent liabilities, disputed liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statements of the Transferor Company and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company by virtue of the Scheme, so as to become as and from the Appointed Date, the debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of the Transferee Company.*
- 2.5.3 *Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.*
- 2.5.4 *Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.*
- 2.5.5 *To the extent there are inter-corporate loans, liabilities, duties, debts and claims (including deferred tax liabilities and contingent liabilities) if any, due or which may hereafter become due, between the Transferor Company and the Transferee Company or vice versa, the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such loans, liabilities, duties, debts and claims (including receivables), due or which may hereafter become due, between the Transferee Company on the one hand and the Transferor Company on the other hand.*
- 2.5.6 *Any loans, advances and other facilities sanctioned to the Transferor Company by their bankers and financial institutions from the Appointed Date till the Effective Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.*

## **2.6 ENCUMBRANCES**

- 2.6.1 *The transfer and vesting of the Undertaking to and in Transferee Company shall be subject to the existing securities, mortgages, charges, hypothecation, encumbrances or liens, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Company.*
- 2.6.2 *All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.*

## **2.7 TREATMENT OF TAXES**

- 2.7.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax, Goods and Services Tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including advance tax and tax deducted at source) as on the date immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.
- 2.7.2 All taxes including Income Tax, Wealth Tax, Minimum Alternate Tax, Service Tax, Sales Tax, Goods and Services Tax and all other statutory taxes, if any, paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date shall be on account of the Transferor Company, and in so far as it relates to the payment of taxes (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 2.7.3 Any refunds, input credits, benefits, incentives, grants, subsidies etc. under the Income Tax Act, 1961, the Goods and Services Tax Act, 2017 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 2.7.4 All taxes, benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales tax, Service tax, Goods and Services tax etc. or any tax deduction/ collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to NCLT. The benefit of all taxes paid including minimum alternate tax under Income Tax Act, unabsorbed depreciation, carry forward of losses as well as set-off of losses thereof shall be available to the Transferee Company as would have been available to the Transferor Company upon the sanction of the scheme by the NCLT.
- 2.7.5 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, Value added Tax, Goods and Service Tax etc., to which the respective Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 2.7.6 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, such tax proceedings/appeals shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, as the case may be. These proceedings/appeals shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation (i.e. merger by way of absorption) of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 2.7.7 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant labour laws, Income tax, sales tax including value added tax, service tax, Goods and Services Tax, Wealth tax and other applicable tax laws, and to claim refunds and/ or credits for dues and/ or taxes paid and/ or depreciation benefits, if any, as may be required consequent to implementation of this Scheme.

## **3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 3.1 Subject to the provisions of this Scheme, all contracts, deeds, bonds, schemes, agreements, arrangements and other instruments of whatsoever nature (including all tenancies, leases, licenses and other assurances in favour of any of the Transferor Company or powers or authorities granted by or to any of the Transferor Company), to which the Transferor Company is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favor of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.



- 3.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the secured creditors of the Transferor Company or in favor of any other party to any contract or arrangement to which any of the Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement and carry out all such formalities or compliance referred to above on the part/behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3.3 Any inter-se contracts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Transaction(s), if any, between the Transferor Company and Transferee Company after the Appointed Date and until the Effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.

#### **4. LEGAL PROCEEDINGS AND OTHER RESOLUTIONS**

- 4.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending at the Effective Date, shall not be abated or discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, and enforced by or against the Transferor Company as if the Scheme had not been made.
- 4.2 The resolutions, including resolutions passed under Section 180(1)(a), Section 180(1)(c) and Section 186 of the Act, if any, of the Transferor Company, which are valid and subsisting on the effective date, shall, *mutatis mutandis*, continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and where such resolutions have any upper monetary or other limit(s) being fixed under the provisions of the Act or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 4.3 Upon the Scheme becoming effective, all the Directors of the Transferor Company shall cease to hold office as Directors thereof with effect from the Effective date. However, on the Scheme becoming effective, and having regard to the expertise and their involvement in the affairs of the Transferor Company and for ensuring smooth transition and integration of the business of Transferor Company, both the executive directors of the Transferor Company shall be inducted as employees of the Transferee Company, on same amount of the remuneration payable to each of them as on 31 March, 2019 for the remaining period of their tenure, and thereafter the said remuneration will be revised as may be considered appropriate by the Board from time to time and it is clarified herein that approval of the Scheme by the Audit Committee, Board and Shareholders of the Transferee Company shall be deemed to be the approval under Section 188(1)(f) of the Act and thus, no separate resolution or approval under the Act shall be required to pass for their appointment and terms of appointment in the Transferee Company.

#### **5. DISSOLUTION OF TRANSFEROR COMPANY**

On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up.

#### **6. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANY**

- 6.1 All the employees of the Transferor Company who are in its permanent employment, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the permanent employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions as to employment and remuneration not less favorable than those subsisting in the concerned Transferor Company on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall be continued to be governed by their existing agreements and terms and conditions of their employment. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).
- 6.2 Provident Fund, Gratuity Fund, Superannuation Fund and any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming effective, the name of Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. With effect from the date of filing of this Scheme with the Hon'ble NCLT and till the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of their respective employees, except with the written consent of the Transferee Company.

## **7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFeree COMPANY**

7.1 *With effect from the Appointed Date until the Effective Date, the Transferor Company-*

7.1.1 *Shall possess of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.*

7.1.2 *Shall carry on and shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges, expenses or losses (including taxes) arising or incurred or suffered by the Transferor Company shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or losses (including taxes), as the case may be, of the Transferee Company.*

7.2 *Any corporate action by Transferor Company on or after the Appointed Date until the Effective Date shall, upon the Scheme becoming effective, be treated as having been taken by the Transferee Company without any further application, act or deed etc. and shall be dealt with accordingly.*

7.3 *Till such time, the names of the Bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary.*

7.4 *Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.*

7.5 *Notwithstanding anything contained in sub-clause '7.1' to '7.4' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses till the Merger is effective.*

## **8. CONSIDERATION**

8.1 *Upon the Scheme being sanctioned by the Hon'ble Tribunal, there will be no issue and allotment of any shares by the Transferee Company in consideration of Merger of the Transferor Company with the Transferee Company as the Transferor Company is wholly owned subsidiary Company of the Transferee Company and the entire paid up share capital of the Transferor Company is held by Transferee Company along with Nominees of Transferee Company. All equity shares held by the Transferee Company and its Nominee(s) in the Transferor Company shall be cancelled and extinguished as on the Appointed Date.*

8.2 *Upon the scheme becoming effective, entire issued, subscribed and paid-up equity share capital of Transferor Company shall, ipso facto, without any further application, act, deed or instrument stand extinguished and cancelled and no new shares of the Transferee Company will be issued or allotted with respect to the equity shares held by the Transferee Company and its nominee in the Transferor Company.*

8.3 *The Transferee Company undertakes not to transfer any of the shares held by it of the Transferor Company till the merger is completed.*

8.4 *The Transferor Company undertakes not to increase its share capital by issuing shares to any entity other than Transferee Company till Merger is completed.*

8.5 *Upon the scheme becoming effective, share certificates and/or the shares in electronic form representing the shares held by the Transferee Company (including its Nominees) in the Transferor Company shall be cancelled without any further application, act, instrument or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.*

## **9. UPON THIS SCHEME BECOMING EFFECTIVE**

9.1 *Entire issued share capital of the Transferor Company both in electronic form and in the physical form, as the case may be, shall automatically stand cancelled.*

9.2 *The Authorized Share Capital of the Transferor Company shall get merged to form new Authorized Share Capital of the Transferee Company and thereafter, the Authorised Share Capital of the Transferee Company shall stand increased to that extent without any further act, deed and the fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.*

9.3 *Accordingly, the Capital Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed be replaced by the following Clause:*

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

*Further, Article 4 (a) of the Articles of Association of the Transferee Company shall, without any further act or deed be replaced by the following:*

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty-Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

- 9.4 *It is clarified that the consent and approval of the Scheme by the shareholders and/ or creditors of the Transferee Company shall be deemed to be sufficient for the purpose of effecting the Alteration of the Memorandum of Association and Articles of Association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and no further resolution(s) under the applicable provisions of the Act, would be required to be separately passed, nor any registration fee, stamp duty, etc. shall be payable by the Transferee Company. The Transferee Company shall file amended copy of Memorandum & Articles of Association with the concerned Registrar of Companies.*
- 9.5 *On this Scheme becoming effective, the shareholders and Creditors, wherever applicable, if any, of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme and no separate resolution under the Act shall be required to pass.*

## **10. ACCOUNTING TREATMENT**

- 10.1 *Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the merger shall be accounted in the books of accounts of the Transferee Company in accordance with applicable Indian Accounting Standard (Ind-AS) as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India as applicable on Effective Date.*
- 10.2 *It is further clarified that the excess of the Assets and Liabilities transferred to the Transferee Company would be credited to the ‘Capital Reserve Account’ and the shortfall of the Assets and Liabilities transferred to the Transferee Company would be debited to General Reserve, if any, of the Transferee Company.*
- 10.3 *Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the merger by way of absorption.*
- 10.4 *If there is any difference in accounting policies of the Transferor Company and that of the Transferee Company, the impact of the same till the Appointed date will be quantified and same shall be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.*

## **11. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

- 11.1 *Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company.*
- 11.2 *If any such resolutions have any monetary or other limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, imposed under the like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.*

### **PART-III**

## **12. CONDITIONALITY OF SCHEME AND OPERATIVE/ EFFECTIVE DATE OF THE SCHEME**

- 12.1 *This Scheme is and shall be conditional upon and subject to:*
- a. *Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;*
  - b. *The scheme being approved by the requisite majorities in number and value of such classes of members (as may be applicable) and/or creditors (wherever applicable), of the Transferor Company and the Transferee Company as may directed by Hon’ble NCLT.*
  - c. *The approval or sanction of the Hon’ble NCLT under Sections 230 to 232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.*
  - d. *The certified/ authenticated copies of the orders of the Hon’ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and the Transferee Company with the Registrar of Companies.*

- e. *The requisite approvals, sanctions, permissions or consents of any Governmental Authority or any statutory or regulatory authorities as may be required by law for the implementation of Scheme.*

### **13. APPROVAL OF SEBI AND STOCK EXCHANGES**

*In view of the SEBI Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated February 15, 2017 and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of merger of wholly owned subsidiaries with their Parent Company shall be filed with the Stock Exchanges for the purpose of disclosures and stock exchange shall disseminate the scheme documents on their website. The Transferee Company undertakes to comply with requirement of aforesaid and all other applicable SEBI Notification/ Circular.*

### **14. APPLICATION TO HON'BLE NCLT**

*The Transferor Company and the Transferee Company shall make application under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act to the Hon'ble NCLT where the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme and for the dissolution of the Transferor Company without winding-up and other concerned matters.*

### **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

15.1 *The Transferor Company and the Transferee Company through their respective Board of Directors or any Director/Executives or any committee authorized in that behalf (hereinafter referred to as the "Delegate") may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble NCLT and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.*

15.2 *In order to give effect to this Scheme or to any modification(s) or amendments or addition(s) thereof, the Board of Directors/ delegates of the Transferee Company may give and is authorized to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.*

### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

*In the event of this Scheme failing to take effect, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or employees or any other person. Each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.*

### **17. COST CHARGES AND EXPENSES CONNECTED WITH THE SCHEME**

*All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation (i.e. merger by way of absorption) of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company only. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates, other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc.*

### **18. SEVERABILITY**

*If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts/provisions of the scheme.*

**THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF MERGER. YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF MERGER TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.**

### **22. Submissions, Approvals and Other Information, Summary of Valuation Report and Fairness Opinion etc.**

- a. The Proposed Scheme was placed before the Board of Directors of the Transferee Company on December 21, 2018 and was approved.
- b. Valuation Report and Fairness Opinion is not applicable, since, Transferor Company is wholly owned subsidiary of the Transferee Company, the entire equity share capital of Transferor Company shall stand cancelled and hence no new equity shares will be allotted by the Transferee Company post-sanction of the proposed Scheme of Merger.
- c. Pursuant to the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Regulation 37 of SEBI LODR Regulations, the Transferee Company has filed the draft scheme with BSE and NSE on 24.12.2018 and specific approval of the stock exchanges is not required in case of merger of wholly-owned subsidiary with its holding company.



- d. On the Scheme being approved by the requisite majority of the Shareholders, the Transferee Company and Transferor Company shall file a joint petition with the Hon'ble NCLT, Principal Bench at New Delhi for sanction of the Scheme under Sections 230 to 232 of the Companies Act, 2013.

**23. Directors, Promoters and Key Managerial Personnel (KMP):**

- a. The directors of the Transferor Company and the Transferee Company and relatives of the aforementioned persons may be deemed to be concerned and / or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies.
- b. Key Managerial Personnel (KMPs) other than Directors and their relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme.
- c. Save as aforesaid, none of the Directors and KMPs of the Transferor Company and the Transferee Company and their relatives have any material concern or interest, financial and / or otherwise in the Scheme.

**24. General:**

- a. To the knowledge of Transferor Company and Transferee Company, there is no petition pending for winding up of the any of the Company and there is no investigation or proceedings, if any pending against any of the Company.
- b. The Scheme also does not propose any capital or debt restructuring or any compromise or arrangement with the creditors of the Transferor Company and/or the Transferee Company.
- c. It is confirmed that the copy of the Scheme, as approved by Board, has been filed with the concerned Registrar of Companies.
- d. In compliance with the requirement of Section 230(5) of the Companies Act, 2013 and Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, notice in the prescribed form and seeking approvals, sanctions or no-objections shall be served to the concerned regulatory and government authorities.
- e. Amount due to unsecured creditors -
- Transferor Company - Rs. 43,73,94,615
  - Transferee Company- Rs. 1,33,04,10,153

**25. The Scheme is conditional upon and subject to the followings:**

- a. Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;
- b. the Scheme being approved by the requisite majorities in number and values of the such classes of members (as may be applicable) and/ or creditors (wherever applicable) of the Transferor Company and Transferee Company as may be directed by the NCLT;
- c. the Approval or sanction of the Hon'ble NCLT under Sections 230-232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.
- d. the certified / authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and Transferee Company with the Registrar of Companies.
- e. All other approvals, sanctions or consents of any Governmental Authority or any statutory authorities as may be required by law for the implementation of Scheme being obtained.

**26. Copy of the notice(s) issued to the Unsecured Creditors of the Transferee Company, the Scheme of Merger and Explanatory Statement under Section 230 of the Companies Act, 2013 have been placed on the website of the Transferee Company at [www.lumaxautotech.com](http://www.lumaxautotech.com).**

**27. The following documents will be open for inspection at its registered office between 11.00 am to 5.00 pm on all working days, except Saturdays, Sundays and Public Holidays, up to 1 (one) day prior to the date of the meeting:**

- a. Copy of the Company Application No. CA (CAA) 76 (PB)/ 2019, Company Application CA (CAA) No. 19/PB/2019 and Company Application CA- 959 (PB)/ 2019;
- b. Copy of the Order dated 14<sup>th</sup> Day of May, 2019 and 21<sup>st</sup> day of May, 2019 of the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi passed in the above Company Applications;

- c. Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
- d. Latest audited Financial Statement of the Transferee Company and Transferor Company for the period ended March 31, 2018;
- e. Copy of Supplementary Unaudited Accounting Statement of the Transferor Company and Transferee Company for the period ended December 31, 2018;
- f. Copy of Scheme of Merger;
- g. Certificate issued by the auditors of the Transferor Company and Transferee Company to the effect that the accounting treatment, if any proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of Companies Act, 2013;

**Sd/-**

**Dated:** 27th day of May, 2019

**Place:** New Delhi

Ajay Bhagwati

**Chairperson appointed for the meeting**

**Registered Office of the Company:**

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

**SCHEME OF MERGER**  
**(BY WAY OF ABSORPTION)**  
**OF**  
**LUMAX DK AUTO INDUSTRIES LIMITED**  
**(Transferor Company)**  
**WITH**  
**LUMAX AUTO TECHNOLOGIES LIMITED**  
**(Transferee Company)**  
**AND**  
**THEIR RESPECTIVE CREDITORS AND SHAREHOLDERS**  
**UNDER**  
**SECTIONS 230 to 232 AND ANY OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013 AND**  
**RULES MADE THEREUNDER**

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## INTRODUCTION

This Scheme of Merger (“**Scheme**”) provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Scheme is carved out into following parts:

- (i) **Preamble**- Background and Description of Companies.
- (ii) **Part I**–Definitions and Share Capital.
- (iii) **Part II**– Merger of the Transferor Company with the Transferee Company
- (iv) **Part III**- General Terms and Conditions applicable to this Scheme.

### PREAMBLE

#### **(A) BACKGROUND AND DESCRIPTION OF TRANSFEROR COMPANY & TRANSFEE COMPANY**

1. **LUMAX DK AUTO INDUSTRIES LIMITED** (CIN: U34300DL1997PLC087110) (hereinafter referred to as “the Transferor Company”) is a public Company, limited by shares incorporated under the provisions of the Companies Act, 1956 on 07<sup>th</sup> of May, 1997 under the name and style of “**Lumax GHSP Industries Limited**” with Registrar of Companies, NCT of Delhi and Haryana. Thereafter, name of the Transferor Company was changed to “**Lumax DK Auto Industries Limited**” and in this regard, fresh Certificate of Incorporation was issued by Registrar of Companies, NCT of Delhi and Haryana on 04<sup>th</sup> day of March, 2003. At present, the Transferor Company is having its registered office situated at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 within the jurisdiction of Hon’ble NCLT, New Delhi. As per Memorandum of Association of Transferor Company, one of the main objects of the Transferor Company to carry on the business as manufacturers, producers, fabricators, assemblers, agents, dealers, stockists, suppliers, contractors, jobbers, wholesalers, retailers, stores and warehouse, importers, exporters, repairers, hirers of parts and components, assemblies and sub-assemblies of transmission and braking systems including those needed, required or desired for acceleration, deceleration, engaging and disengaging the supply of power whether manually, mechanically, electrically or electronically, for all types of motor cars, motor buses, motor trucks, tractors, three wheelers, motor cycles, scooters, mopeds, other automotive vehicles usable on land, sea or air whether propelled or assisted by means of petrol, diesel oil, motor spirit gas, steam, electrical or animal power.

The details of Directors of Transferor Company are as under:

| S. No. | Name               | DIN      | Category               |
|--------|--------------------|----------|------------------------|
| 1.     | Dhanesh Kumar Jain | 00085848 | Non-Executive Director |
| 2.     | Deepak Jain        | 00004972 | Non-Executive Director |
| 3.     | Anmol Jain         | 00004993 | Non-Executive Director |
| 4.     | Poysa Goyal Jain   | 00005026 | Executive Director     |
| 5.     | Shivani Jain       | 00005018 | Executive Director     |
| 6.     | Naval Khanna       | 00110584 | Non-Executive Director |
| 7.     | Dhiraj Dhar Gupta  | 01089718 | Non-Executive Director |
| 8.     | Sanjay Mehta       | 06434661 | Non-Executive Director |

2. **LUMAX AUTO TECHNOLOGIES LIMITED** (CIN: L31909MH1981PLC025519) (hereinafter referred to as “the Transferee Company”) is a listed public Company incorporated under the provisions of the Companies Act, 1956 on 30<sup>th</sup> day of October, 1981 under the name and style of “**Lumax Auto Electricals Private Limited**”. Thereafter, name of the Transferee Company was changed to “**Dhanesh Auto Electricals Private Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Bombay, Maharashtra on 02<sup>nd</sup> day of November, 1988. Thereafter, the Transferee Company was converted into Public Company i.e. “**Dhanesh Auto Electricals Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 30<sup>th</sup> day of May, 2002. Thereafter again, name of the Transferee Company was changed to “**Lumax Auto Technologies Limited**” and in this regard, a new Certificate of Incorporation was issued by Registrar of Companies, Pune, Maharashtra on 02<sup>nd</sup> day of August, 2006. At present, the registered office of the Transferee Company is situated at Plot No.70, Sector No. 10, PCNTDA, Bhosari, Pune, Maharashtra-411026 within the jurisdiction of Hon’ble NCLT, Mumbai. As per Memorandum of Association of the Transferee Company, some of the main objects of the Transferee Company is to carry on the business manufacturers of, dealer in, importers and exporters, hirers, repairers, cleaner, stores, and warehouses of Automobile parts, agricultural

implements and their Ancillaries (including motor cars, trucks, buses, tractor, dozers, road rollers, motor cycles, cycle cars, motors, scooters, bicycles, carriages and conveyance parts and ancillaries) whether propelled or assisted by means of petrol motor spirit, steam, gas, diesel oil, electrical, animal or other power.

The details of Directors of Transferee Company are as under:

| S. No. | Name                   | DIN      | Category               |
|--------|------------------------|----------|------------------------|
| 1.     | Dhanesh Kumar Jain     | 00085848 | Executive Chairman     |
| 2.     | Anmol Jain             | 00004993 | Managing Director      |
| 3.     | Deepak Jain            | 00004972 | Non-Executive Director |
| 4.     | Sanjay Mehta           | 06434661 | Non-Executive Director |
| 5.     | Arun Kumar Malhotra    | 00132951 | Independent Director   |
| 6.     | Avinash Parkash Gandhi | 00161107 | Independent Director   |
| 7.     | Roop Salotra           | 06650145 | Independent Director   |
| 8.     | Milap Jain             | 06738071 | Independent Director   |
| 9.     | Kanchan Kumar Gandhi   | 08165876 | Independent Director   |
| 10.    | Diviya Chanana         | 00737160 | Independent Director   |

3. The Transferor Company is wholly owned subsidiary of the Transferee Company. The Equity Shares of the Transferee Company are listed on BSE Limited and National Stock Exchange of India Limited.

**(B) OBJECTIVE AND RATIONALE FOR THE PROPOSED SCHEME:**

It is proposed to consolidate the operations/business of the Transferor Company and the Transferee Company into a single Company by Merger of the Transferor Company with the Transferee Company pursuant to a Scheme of Merger (by way of Absorption) under Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder. The Merger of the Transferor Company with the Transferee Company would result, *inter-alia*, in the following benefits:

- Achieving business and Administrative synergies.
- Consolidation and simplification of the group structure, cost savings resulting from rationalization, standardization and simplification of business processes and the elimination of duplication, and rationalization of administrative expenses, reduction in regulatory & legal compliances.
- Improved organizational capability arising from pooling of financial resources.
- Diversified portfolio in Manufacturing Business.
- Maximize the overall Shareholders' value by strengthening its core competencies and achieving Economies of Scale.
- The Merger will improve the management of the Transferee Company by combining the legal entities and will reduce expenditure by eliminating administrative functions and multiple record keeping.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the Merger/amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the Companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Merger for the transfer and vesting of entire undertaking and business of Transferor Company with and into Transferee Company, pursuant to provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

**(C) PARTS OF THE SCHEME:**

This Scheme is divided into the following parts:

- PART I** – This part deals with the Definitions of the terms used in the Scheme and Share Capital of the Transferor Company and Transferee Company.
- PART II** – This part provides for Merger of Lumax DK Auto Industries Limited (hereinafter referred to as “**the Transferor Company**”) with Lumax Auto Technologies Limited (hereinafter referred to as “**the Transferee Company**”).

3. **PART III** – This part deals with General Terms and Conditions applicable to this Scheme.
- (D) The Merger of the Transferor Company with the Transferee Company pursuant to and in accordance with the Scheme shall be operational with effect from the Appointed Date and shall be in compliance with the relevant provisions of the Income Tax Act, 1961.

## PART I

### DEFINITIONS & SHARE CAPITAL

#### 1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:

- a) **“The Act”** means the Companies Act, 2013 along with Rules Framed thereunder or any statutory amendment and/or re-enactment thereof, from time to time and for the time being in force.
- b) **“The Appointed Date”** for the purpose of this Scheme and for Income Tax Act, 1961, the “Appointed Date” means 1<sup>st</sup> April, 2018.
- c) **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company and/ or the Transferee Company, as the case may be, and shall unless it is repugnant to the context or otherwise, include a duly constituted Committee of Directors of the respected companies for the purpose of matters pertaining to the Scheme and/or any other consequential or incidental matters in relation thereto.
- d) **“Legal Proceedings”** means any proceedings taken by and/or against the Transferor Company in any Court/Tribunal/Forum/Authority, as pending on the Appointed Date
- e) **“SEBI”** means Securities and Exchange Board of India established under the Securities Exchange Board of India Act, 1992.
- f) **“SEBI Circular”** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI applicable to the Schemes from time to time.
- g) **“Scheme” or “This Scheme” or “the Scheme” or “Scheme of Merger” or “Scheme of Merger by way of Absorption”** means the present Scheme of Merger by way of Absorption framed under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Rules framed thereunder as approved by the respective Board of Directors of the Transferor Company and the Transferee Company as submitted in the present form or with any modification(s) imposed or directed by Shareholders / Creditors of the respective Transferor Company and Transferee Company and/or by the Hon’ble NCLT or by any competent authority(ies).
- h) **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited.
- i) **“The Transferor Company”** means **Lumax DK Auto Industries Limited**, is as explained in Preamble Clause (A) 1 above.
- j) **“The Transferee Company”** means **Lumax Auto Technologies Limited**, is as explained in Preamble Clause (A) 2 above
- k) **“Law” or “Applicable Law”** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, Tribunal, Court of India or any other country or jurisdiction as applicable.
- l) **“National Company Law Tribunal” or “NCLT” or “Hon’ble Tribunal”** means the Hon’ble National Company Law Tribunal at Mumbai having jurisdiction in relation to the Transferee Company and Hon’ble National Company Law Tribunal at New Delhi having jurisdiction in relation to the Transferor Company.
- m) **“National Company Law Appellate Tribunal” or “NCLAT” or “Hon’ble NCLAT”** means the Hon’ble National Company Law Appellate Tribunal at New Delhi.
- n) **“ROC” or “Registrar of Companies”** means the Registrar of Companies, Pune having jurisdiction over the Transferee Company and Registrar of Companies, NCT of Delhi and Haryana having jurisdiction over the Transferor Company.
- o) **“The Effective Date”** in relation to the scheme, means last of the dates on which the certified copy of the order of Hon’ble National Company Law Tribunal sanctioning the Scheme of Merger are filed by the Transferor Company and the Transferee Company with the respective Registrar of Companies.

Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.

- p) **“Undertaking”** in relation to the Transferor Company, shall mean the entire Business of Transferor Company on a going concern basis as on appointed date.
- q) **“IT Act”** means the Income Tax Act, 1961, as amended from time to time.

All terms and words which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable law (as defined above), rules, regulations, bye-laws, as the case may be including any statutory modification or re-enactment thereof from time to time.

References to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation.

In this Scheme, where the context so requires, words denoting the singular shall include the plural and words denoting any gender shall include all genders.

## 1.2 SHARE CAPITAL

- a. **TRANSFEROR COMPANY-** The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on March 31, 2018 was as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 2,11,00,000 Equity Shares of Rs. 10/- each.         | 21,10,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 42,40,313 Equity Shares of Rs. 10/- each.           | 4,24,03,130     |

The authorized, issued, subscribed and paid-up share capital of the Transferor Company is same as above on the date of Board Meeting i.e. December 21, 2018, approving the Scheme of Merger. The Transferor Company is a 100% subsidiary of Transferee Company.

- b. **TRANSFEEEE COMPANY-** The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2018 was as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 1,50,00,000 Equity Shares of Rs. 10/- each.         | 15,00,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 1,36,31,541 Equity Shares of Rs. 10/- each.         | 13,63,15,410    |

Subsequent to the March 31, 2018 and with effect from June 08, 2018, the Transferee Company has sub-divided face value of its Equity Shares from Rs. 10/- per Equity Share to Rs. 2/- per Equity Share. Therefore, the authorized, subscribed and paid-up share capital of the Transferee Company as on date is as under:

| Particulars   | Amount (in Rs.) |
|---|-----------------|
| <b>Authorized Share Capital</b>                     |                 |
| 7,50,00,000 Equity Shares of Rs. 2/- each.          | 15,00,00,000    |
| <b>Issued, Subscribed and Paid-up Share Capital</b> |                 |
| 6,81,57,705 Equity Shares of Rs. 2/- each.          | 13,63,15,410    |



## **PART-II**

### **TRANSFER AND VESTING OF UNDERTAKINGS OF THE TRANSFEROR COMPANY INTO**

#### **THE TRANSFeree COMPANY**

- 2.1** Upon this Scheme becoming effective and with effect from the Appointed Date, the entire business and the undertakings of the Transferor Company including without limitation, all the movable and immovable properties & assets, liabilities, losses, duties, obligations, including those arising on account of Taxation Laws and other allied laws, reserve & surplus including Securities Premium Account shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company pursuant to the sanction of this Scheme by the Hon'ble NCLT and pursuant to the applicable provisions of the Act and also in accordance with Section 2(1B) of the Income Tax Act, 1961, as a going concern, without any further act, instrument, deed, matter or thing to be made, done or executed.
- 2.2** With effect from the commencement of business on the Appointed Date and subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, entire undertaking along with business and all properties whether moveable or immovable or tangible or intangible wherever situated and also all other assets, capital, work-in-progress, current assets, movable assets, all investments in India or out of India, if any, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangement, rights, intellectual property rights, titles, interests, benefits and advantages of whatsoever nature belonging to or in the ownership, power, possession, control of or vested in or granted in favor of or enjoyed by the Transferor Company, including but without being limited to, all licenses viz. business licenses, licenses under Factories Act, manufacturing licenses, permits, deposits, authorisations, approvals, liberties, easements, advantages, benefits, privileges, leases, tenancy rights, ownership, intellectual property rights including trademarks, know – how, service marks, trade secrets, brands, copy rights, patents, quota rights, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures subsidies, capital subsidies, concessions, exemptions, Government Incentives, Sales Tax/ Goods and Services Tax exemptions, approvals, clearances, environmental clearances, occupancy certificate, approval from fire department, approval for water, electricity and sewerage, approval from irrigation department, approval from underground water authority, authorizations, certification, quality certification, utilities, electricity connections, electronics and computer link ups, computer software/licenses, services of all types, reserves, provisions, funds, benefit of all agreements and all other interests arising to the Transferor Company (hereinafter collectively referred to as “the said assets”) shall, without any further act, instrument or deed and without payment of any duty or other charges, be transferred to and vested in the Transferee Company as a going concern pursuant to the applicable provisions of the Act, for all the estate, right, title and interest of the Transferor Company therein so as to become the property of the Transferee Company.
- 2.3** Without prejudice to the generality of Clauses 2.1 and 2.2 above, upon occurrence of the Effective Date, the Transferor Company shall stand merged and amalgamated into the Transferee Company with effect from the Appointed Date.
- 2.4 TRANSFER OF ASSETS**
- 2.4.1** All the assets and properties comprised in the Undertaking of whatsoever nature and wheresoever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.
- 2.4.2** Without prejudice to the provisions of Clause 2.4.1, it is expressly provided that in respect of such of the said assets and properties of the undertaking as are movable in nature or incorporeal property or are otherwise capable of being transferred by physical delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company to the Transferee Company after the Scheme is duly sanctioned and given effect to without requiring any further order of the Hon'ble NCLT or any deed or instrument of conveyance for the same or without the payment of any duty or other charges and shall become the integral part of the Undertaking and property of the Transferee Company accordingly.
- 2.4.3** In respect of movables other than those dealt with in Clause 2.4.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.
- 2.4.4** All The assets and properties as on the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties, which are/if any, acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.
- 2.4.5** For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all consents, permissions, licenses, quotas, liberties, special status, certificates, clearances, authorities, powers of attorney, tax deferrals and all other benefits and privileges enjoyed or conferred upon or held or availed of by the

Transferor Company or issued to or executed in favor of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favor of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

**2.4.6** For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of the Transferor Company in any leasehold properties, if any, including all the leases, of the Transferor Company shall without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and it shall be presumed that the same were executed by the Transferee Company.

## **2.5 TRANSFER OF LIABILITIES**

**2.5.1** In accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and Upon coming into effect of this Scheme, all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities, provisions, duties and obligations including Income Tax and other statutory liabilities, if any, of every kind, nature and description, whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), of the Transferor Company whether provided for or not in the books of accounts of the Transferor Company shall devolve and shall stand transferred or be deemed to be transferred without any further act or deed, to the Transferee Company with effect from the Appointed Date, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

**2.5.2** All debts, liabilities, guarantees, indemnities, contingent liabilities, disputed liabilities, duties and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the financial statements of the Transferor Company and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Undertaking on or after the Appointed Date till the Effective Date shall also stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company by virtue of the Scheme, so as to become as and from the Appointed Date, the debts, liabilities, guarantees, indemnities, contingent liabilities, duties and obligations of the Transferee Company.

**2.5.3** Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

**2.5.4** Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Undertaking and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

**2.5.5** To the extent there are inter-corporate loans, liabilities, duties, debts and claims (including deferred tax liabilities and contingent liabilities) if any, due or which may hereafter become due, between the Transferor Company and the Transferee Company or vice versa, the obligations in respect thereof shall come to an end on the Scheme coming into effect and a corresponding suitable effect shall be given in the books of accounts and records of the Transferee Company and if required, the reduction/cancellation of such loans, debts and claims (including receivables) shall be reflected in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of such loans, liabilities, duties, debts and claims (including receivables), due or which may hereafter become due, between the Transferee Company on the one hand and the Transferor Company on the other hand.

**2.5.6** Any loans, advances and other facilities sanctioned to the Transferor Company by their bankers and financial institutions from the Appointed Date till the Effective Date, which are partly drawn or utilized shall be deemed to be the loans and advances sanctioned to the Transferee Company and the said loans and advances shall be drawn and utilized either partly or fully by the Transferor Company and all the loans, advances and other facilities so drawn by the Transferor Company (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to the Transferee Company and all the obligations of the Transferor Company under any loan agreement shall be construed and shall become the obligation of the Transferee Company without any further act or deed on the part of the Transferee Company.

## **2.6 ENCUMBRANCES**

**2.6.1** The transfer and vesting of the Undertaking to and in Transferee Company shall be subject to the existing securities, mortgages, charges, hypothecation, encumbrances or liens, if any, subsisting over or in respect of the property and assets or any part thereof of the Transferor Company.

**2.6.2** All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.

## **2.7 TREATMENT OF TAXES**

**2.7.1** Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax, Goods and Services Tax, Luxury Tax, Stamp Laws (hereinafter in this Clause referred to as "Tax Laws") or other applicable laws or regulations dealing with taxes (whether in the form of duties, cesses, fees, levies or by whatever name called) allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for such taxes (including Advance Tax and tax deducted at source) as on the date immediately preceding the Appointed Date shall also be transferred to the account of the Transferee Company.

**2.7.2** All taxes including Income Tax, Wealth Tax, Minimum Alternate Tax, Service Tax, Sales Tax, Goods and Services Tax and all other Statutory Taxes, if any, paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date shall be on account of the Transferee Company, and in so far as it relates to the payment of taxes (including without limitation Income Tax, Wealth Tax, Sales Tax, Excise Duty, Customs Duty, Service Tax, Luxury Tax, Value Added Tax, Goods and Services Tax etc.), whether by way of deduction at source, Advance Tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

**2.7.3** Any refunds, input credits, benefits, incentives, grants, subsidies etc. under the Income Tax Act, 1961, the Goods and Services Tax Act, 2017 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

**2.7.4** All taxes, benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales Tax, Service Tax, Goods and Services Tax etc. or any tax deduction/ collection at source, tax credits, benefits of CENVAT credits, benefits of input credits relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the NCLT upon relevant proof and documents being provided to NCLT. The benefit of all taxes paid including Minimum Alternate Tax under Income Tax Act, 1961 unabsorbed depreciation, carry forward of losses as well as set-off of losses thereof shall be available to the Transferee Company as would have been available to the Transferor Company upon the sanction of the scheme by the NCLT.

**2.7.5** Without prejudice to the generality of the above, all benefits including under the Income Tax, Sales Tax, Excise Duty, Customs Duty, Service Tax, Luxury Tax, Value Added Tax, Goods and Services Tax etc., to which the respective Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

**2.7.6** All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, such tax proceedings/appeals shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company, as the case may be. These proceedings/appeals shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation (i.e. Merger by way of Absorption) of the Transferor Company with the Transferee Company or anything contained in the Scheme.

**2.7.7** Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexure under the relevant Labour Laws, Income Tax,

Sales Tax including Value Added Tax, Service Tax, Goods and Services Tax, Wealth tax and other applicable tax laws, and to claim refunds and/ or credits for dues and/ or taxes paid and/ or depreciation benefits, if any, as may be required consequent to implementation of this Scheme.

### **3. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 3.1** Subject to the provisions of this Scheme, all contracts, deeds, bonds, schemes, agreements, arrangements and other instruments of whatsoever nature (including all tenancies, leases, licenses and other assurances in favor of any of the Transferor Company or powers or authorities granted by or to any of the Transferor Company), to which the Transferor Company is the party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favor of the Transferee Company and may be enforced as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 3.2** Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favor of the secured creditors of the Transferor Company or in favor of any other party to any contract or arrangement to which any of the Transferor Company is the party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement and carry out all such formalities or compliance referred to above on the part/behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 3.3** Any inter-se contracts between the Transferor Company and the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective. Transaction(s), if any, between the Transferor Company and Transferee Company after the Appointed Date and until the Effective date will be squared off in the books of accounts of the Transferee Company upon the Scheme becoming effective.

### **4. LEGAL PROCEEDINGS AND OTHER RESOLUTIONS**

- 4.1** All legal proceedings of whatsoever nature by or against the Transferor Company pending at the Effective Date, shall not be abated or discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, and enforced by or against the Transferor Company as if the Scheme had not been made.
- 4.2** The resolutions, including resolutions passed under Section 180(1)(a), Section 180(1)(c) and Section 186 of the Act, if any, of the Transferor Company, which are valid and subsisting on the effective date, shall, *mutatis mutandis*, continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and where such resolutions have any upper monetary or other limit(s) being fixed under the provisions of the Act or any other applicable provisions, then all the said limits shall be added and shall constitute the aggregate of the said limits of the Transferee Company.
- 4.3** Upon the Scheme becoming effective, all the Directors of the Transferor Company shall cease to hold office as Directors thereof with effect from the Effective date. However, on the Scheme becoming effective, and having regard to the expertise and their involvement in the affairs of the Transferor Company and for ensuring smooth transition and integration of the business of Transferor Company, both the Executive Directors of the Transferor Company shall be inducted as employees of the Transferee Company, on same amount of the remuneration payable to each of them as on 31<sup>st</sup> March, 2019 for the remaining period of their tenure, and thereafter the said remuneration will be revised as may be considered appropriate by the Board from time to time and it is clarified herein that approval of the Scheme by the Audit Committee, Board of Directors and Shareholders of the Transferee Company shall be deemed to be the approval under Section 188(1)(f) of the Act and thus, no separate resolution or approval under the Act shall be required to pass for their appointment and terms of appointment in the Transferee Company.

### **5. DISSOLUTION OF TRANSFEROR COMPANY**

On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up.

### **6. STAFF, WORKMEN AND EMPLOYEES OF TRANSFEROR COMPANY**

- 6.1** All the employees of the Transferor Company who are in its permanent employment, on the date immediately preceding the date on which the Scheme takes effect, i.e., the Effective Date, shall become the permanent employees of the Transferee Company on such date without any break or interruption in service and upon terms and conditions as to employment and remuneration not less favorable than those subsisting in the concerned Transferor Company on the said date. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall be continued to be governed by their existing agreements and terms and conditions of their employment. The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the

Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company).

6.2 Provident Fund, Gratuity Fund, Superannuation Fund and any other Special Fund or trusts created or existing for the benefit of the employees of the Transferor Company, if any, upon the Scheme becoming effective, the name of Transferee Company shall stand substituted for the Transferor Company for all purposes and intents, whatsoever, relating to the administration or operation of such schemes or funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions of such funds. It is the intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company. With effect from the date of filing of this Scheme with the Hon'ble NCLT and till the Effective Date, the Transferor Company shall not vary or modify the terms and conditions of employment of any of their respective employees, except with the written consent of the Transferee Company.

## **7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFEEE COMPANY**

7.1 With effect from the Appointed Date until the Effective Date, the Transferor Company:

7.1.1 Shall possess of all its assets and properties referred to in Clause 2 above, in trust for the Transferee Company.

7.1.2 Shall carry on and shall be deemed to have carried on business and activities for and on behalf of and for the benefit and on account of the Transferee Company. Any income or profit accruing to the Transferor Company and all costs, charges, expenses or losses (including taxes) arising or incurred or suffered by the Transferor Company shall, for all purposes and intents, be treated as the income, profits, costs, charges, expenses or losses (including taxes), as the case may be, of the Transferee Company.

7.2 Any corporate action by Transferor Company on or after the Appointed Date until the Effective Date shall, upon the Scheme becoming effective, be treated as having been taken by the Transferee Company without any further application, act or deed etc. and shall be dealt with accordingly.

7.3 Till such times, the names of the Bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the banks accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary.

7.4 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.5 Notwithstanding anything contained in sub-clause '7.1' to '7.4' above, the Transferor Company as well as the Transferee Company shall be free to conduct their respective businesses till the Merger is effective.

## **8. CONSIDERATION**

8.1 Upon the Scheme being sanctioned by the Hon'ble Tribunal, there will be no issue and allotment of any shares by the Transferee Company in consideration of Merger of the Transferor Company with the Transferee Company as the Transferor Company is wholly owned subsidiary Company of the Transferee Company and the entire paid up share capital of the Transferor Company is held by Transferee Company along with Nominees of Transferee Company. All equity shares held by the Transferee Company and its Nominee(s) in the Transferor Company shall be cancelled and extinguished as on the Appointed Date.

8.2 Upon the scheme becoming effective, entire issued, subscribed and paid-up equity share capital of Transferor Company shall, *ipso facto*, without any further application, act, deed or instrument stand extinguished and cancelled and no new shares of the Transferee Company will be issued or allotted with respect to the equity shares held by the Transferee Company and its nominee in the Transferor Company.

8.3 The Transferee Company undertakes not to transfer any of the shares held by it of the Transferor Company till the Merger is completed.

8.4 The Transferor Company undertakes not to increase its share capital by issuing shares to any entity other than Transferee Company till Merger is completed.

8.5 Upon the scheme becoming effective, share certificates and/ or the shares in electronic form representing the shares held by the Transferee Company (including its Nominees) in the Transferor Company shall be cancelled without any further application, act, instrument or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.



## **9. UPON THIS SCHEME BECOMING EFFECTIVE**

- 9.1** Entire issued share capital of the Transferor Company both in electronic form and in the physical form, as the case may be, shall automatically stand cancelled.
- 9.2** The authorized share capital of the Transferor Company shall get merged to form new authorized share capital of the Transferee Company and thereafter, the authorized share capital of the Transferee Company shall stand increased to that extent without any further act, deed and the fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.
- 9.3** Accordingly, the Capital Clause V of the Memorandum of Association of the Transferee Company shall, without any further act or deed be replaced by the following Clause:

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

Further, Article 4 (a) of the Articles of Association of the Transferee Company shall, without any further act or deed be replaced by the following:

*“The Authorised Share Capital of the Company is Rs. 36,10,00,000/- (Rupees Thirty Six Crore Ten Lakh only) consisting of 18,05,00,000 (Eighteen Crore Five Lakh) equity shares of Rs. 2/- (Rupees Two only) each.”*

- 9.4** It is clarified that the consent and approval of the Scheme by the shareholders and/ or creditors of the Transferee Company shall be deemed to be sufficient for the purpose of effecting the Alteration of the Memorandum of Association and Articles of Association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act and no further resolution(s) under the applicable provisions of the Act, would be required to be separately passed, nor any registration fee, stamp duty, etc. shall be payable by the Transferee Company. The Transferee Company shall file amended copy of Memorandum & Articles of Association with the concerned Registrar of Companies.
- 9.5** On this Scheme becoming effective, the shareholders and creditors, wherever applicable, if any, of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme and no separate resolution under the Act shall be required to pass.

## **10. ACCOUNTING TREATMENT**

- 10.1** Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Merger shall be accounted in the books of accounts of the Transferee Company in accordance with applicable Indian Accounting Standard (Ind-AS) as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India as applicable on Effective Date.
- 10.2** It is further clarified that the excess of the Assets and Liabilities transferred to the Transferee Company would be credited to the ‘Capital Reserve Account’ and the shortfall of the Assets and Liabilities transferred to the Transferee Company would be debited to General Reserve, if any, of the Transferee Company.
- 10.3** Accounting policies of the Transferor Company will be harmonized with that of the Transferee Company following the Merger by way of Absorption.
- 10.4** If there is any difference in accounting policies of the Transferor Company and that of the Transferee Company, the impact of the same till the Appointed date will be quantified and same shall be appropriately adjusted and reported in accordance with the applicable accounting rules and principles, so as to ensure that the financial statement of the Transferee Company reflects the financial position on the basis of consistent accounting policies.

## **11. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

- 11.1** Upon the coming into effect of the Scheme, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company.
- 11.2** If any such resolutions have any monetary or other limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, imposed under the like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

### **PART-III**

#### **12. CONDITIONALITY OF SCHEME AND OPERATIVE/ EFFECTIVE DATE OF THE SCHEME**

**12.1** This Scheme is and shall be conditional upon and subject to:

- a. Compliance of the applicable regulations / conditions, if any, of SEBI, NSE and BSE, wherever applicable;
- b. The scheme being approved by the requisite majorities in number and value of such classes of members (as may be applicable) and/or creditors (wherever applicable), of the Transferor Company and the Transferee Company as may directed by Hon'ble NCLT.
- c. The approval or sanction of the Hon'ble NCLT under Sections 230 to 232 of the Act in favor of the Transferor Company and the Transferee Company for sanctioning the Scheme being obtained.
- d. The certified/ authenticated copies of the orders of the Hon'ble NCLT sanctioning the Scheme being filed by each of the Transferor Company and the Transferee Company with the Registrar of Companies.
- e. The requisite approvals, sanctions, permissions or consents of any Governmental Authority or any statutory or regulatory authorities as may be required by law for the implementation of Scheme.

#### **13. APPROVAL OF SEBI AND STOCK EXCHANGES**

In view of the SEBI Notification No. SEBI/LAD/NRO/GN/2016-17/029 dated February 15, 2017 and in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of Merger of wholly owned subsidiaries with their Parent Company shall be filed with the Stock Exchanges for the purpose of disclosures and stock exchange shall disseminate the scheme documents on their website. The Transferee Company undertakes to comply with requirement of aforesaid and all other applicable SEBI Notification/ Circular.

#### **14. APPLICATION TO HON'BLE NCLT**

The Transferor Company and the Transferee Company shall make application under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Act to the Hon'ble NCLT where the respective registered offices of the Transferor Company and the Transferee Company are situated, for sanction of this Scheme and for the dissolution of the Transferor Company without winding-up and other concerned matters.

#### **15. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 15.1** The Transferor Company and the Transferee Company through their respective Board of Directors or any Director/Executives or any committee authorized in that behalf (hereinafter referred to as the "Delegate") may make or assent, from time to time, on behalf of all persons concerned, to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble NCLT and/or any authorities under the law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters and things necessary for carrying the Scheme into effect.
- 15.2** In order to give effect to this Scheme or to any modification(s) or amendments or addition(s) thereof, the Board of Directors/ delegates of the Transferee Company may give and is authorized to give all such directions as may be necessary including directions for settling any question, doubt or difficulty whatsoever that may arise.

#### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of this Scheme failing to take effect, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or employees or any other person. Each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

#### **17. COST CHARGES AND EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses of the Transferor Company and the Transferee Company incurred in relation to or in connection with this Scheme or incidental to the completion of the Amalgamation (i.e. Merger by way of Absorption) of the Transferor Company with the Transferee Company in pursuance of this Scheme, shall be borne and paid by the Transferee Company only. This includes, but not limited to, legal and professional fees paid to Company Secretaries, Chartered Accountants, Advocates, other professionals, fees paid on issue of shares, registration fees, stamp paper charges etc.

#### **18. SEVERABILITY**

If any part of the Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts/provisions of the scheme.

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**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LUMAX DK AUTO INDUSTRIES LIMITED AT ITS MEETING HELD ON DECEMBER 21, 2018 EXPLAINING THE EFFECT OF THE SCHEME OF SCHEME OF MERGER (BY WAY ABSORPTION) ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

- 1.1. The Board of Directors ('Board') of Lumax DK Auto Industries Limited ('Transferor Company') at its meeting held on December 21, 2018 has approved the Scheme of Merger (By way absorption) of Lumax Auto Technologies Limited ('Transferee Company') and their respective creditors and shareholders ('Scheme').
- 1.2. Under the Scheme, it is proposed to merged 'Transferor Company with Transferee Company.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation (This to be deleted as it is not applicable). This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. That the draft Scheme duly initialed by the Chairman of Transferor Company for the purpose of identification was placed before the Board and the Scheme was deliberated in the meeting held on December 21, 2018.

**2. VALUATION REPORT**

- 2.1. Pursuant to the Clause 8.1 of Scheme, there will be no issuance of shares from the Transferee Company to the shareholders of 'Transferor Company' as Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor



Company and there will be no valuation exercise required to be undertaken by the Restructured Companies to determine the share exchange ratio and thus, no valuation was required to be prepared regarding the same.

### **3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEROR COMPANY**

#### **3.1. Equity Shareholders (Promoter and Non-Promoter):**

There will be no adverse effect of the Scheme on the equity shareholders (the only class of shareholders), promoters and non-promoter shareholders of the Transferor Company.

Since Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor Company, no shares shall be issued upon merger of 'Transferor Company with Transferee Company and upon the scheme becoming effective, there will be no change in shareholding pattern of Transferee Company.

#### **3.2. Key Managerial Personnel**

The Scheme would not have any effect on the KMPs of the Transferor Company.

**FOR LUMAX DK AUTO INDUSTRIES LIMITED**

**Sd/-**

**DHANESH KUMAR JAIN  
CHAIRMAN OF THE MEETING**

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF LUMAX AUTO TECHNOLOGIES LIMITED AT ITS MEETING HELD ON DECEMBER 21, 2018 EXPLAINING THE EFFECT OF THE SCHEME OF SCHEME OF MERGER (BY WAY ABSORPTION) ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS**

**1. BACKGROUND**

- 1.1. The Board of Directors ('Board') of Lumax Auto Technologies Limited ('Transferee Company') at its meeting held on December 21, 2018 has approved the Scheme of Merger (By way absorption) of Lumax DK Auto Industries Limited ('Transferor Company') and their respective creditors and shareholders ('Scheme').
- 1.2. Under the Scheme, it is proposed to merged 'Transferor Company with Transferee Company.
- 1.3. In terms of Section 232(2)(c) of Companies Act, 2013 ('the Act'), a Report from the Board explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further, the said Report has to specify any special valuation difficulties, if any, in the valuation (This to be deleted as it is not applicable). This Report of the Board is made in order to comply with the requirements of the said Section 232(2)(c) of the Act.
- 1.4. That the draft Scheme duly initialed by the Chairman of Transferee Company for the purpose of identification was placed before the Board and the Scheme was deliberated in the meeting held on December 21, 2018.

**2. VALUATION REPORT**

- 2.1. Pursuant to the Clause 8.1 of Scheme, there will be no issuance of shares from the Transferee Company to the shareholders of 'Transferor Company' as Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor

Company and there will be no valuation exercise required to be undertaken by the Restructured Companies to determine the share exchange ratio and thus, no valuation was required to be prepared regarding the same.

### **3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KEY MANAGERIAL PERSONNEL (KMPs) OF THE TRANSFEREE COMPANY**

#### **3.1. Equity Shareholders (Promoter and Non-Promoter):**

There will be no adverse effect of the Scheme on the equity shareholders (the only class of shareholders), promoters and non-promoter shareholders of the Transferee Company.

Since Transferee Company holds either directly or indirectly the whole of the share capital of 'Transferor Company, no shares shall be issued upon merger of 'Transferor Company with Transferee Company and upon the scheme becoming effective, there will be no change in shareholding pattern of Transferee Company.

#### **3.2. Key Managerial Personnel**

The Scheme would not have any effect on the KMPs of the Transferee Company.

**FOR LUMAX AUTO TECHNOLOGIES LIMITED**

**Sd/-**

**DHANESH KUMAR JAIN**

**CHAIRMAN OF THE MEETING**

**Supplementary unaudited Accounting Statement of Lumax DK Auto Industries Ltd. ("Transferor Company") as at December 31, 2018**

**Condensed Balance Sheet as at December 31, 2018**

*(Amounts in INR lacs, unless otherwise stated)*

| Particulars  | Notes          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------|----------------------------|-------------------------|
| <b>ASSETS</b>  |                |                            |                         |
| <b>I. Non-current assets</b>                         |                |                            |                         |
| Property, plant and equipment                        | 3              | 7,366.04                   | 7,634.09                |
| Capital work in progress                             | 3              | 80.17                      | 23.09                   |
| Investment property                                  | 4              | 1,887.48                   | 1,930.74                |
| Intangible assets                                    | 5              | 19.39                      | 29.63                   |
| Financial assets                                     |                |                            |                         |
| - Investments  | 6              | 544.61                     | 533.34                  |
| - Other financial assets                             | 8              | 1,081.80                   | 86.10                   |
| Income tax asset(net)                                | 9              | 13.61                      | 296.54                  |
| Other non- current assets                            | 11             | 139.75                     | 75.93                   |
|  | <b>A</b>       | <b>11,132.85</b>           | <b>10,609.46</b>        |
| <b>II. Current assets</b>                            |                |                            |                         |
| Inventories  | 12             | 1,174.01                   | 846.96                  |
| Financial assets                                     |                |                            |                         |
| - Investment   | 6              | 1,668.23                   | 1,477.10                |
| - Loans  | 7              | 15.08                      | 7.60                    |
| - Trade receivables                                  | 13             | 7,815.84                   | 8,206.77                |
| - Cash and cash equivalents                          | 14             | 148.46                     | 603.08                  |
| - Other bank balances                                | 15             | 1,305.15                   | 993.90                  |
| - Others financial assets                            | 8              | 51.61                      | 32.25                   |
| Assets classified as held for disposal               | 10             | -                          | 2.13                    |
| Other current assets                                 | 11             | 192.81                     | 104.13                  |
|  | <b>B</b>       | <b>12,371.19</b>           | <b>12,273.92</b>        |
| <b>Total Assets</b>                                  | <b>(A+B)</b>   | <b>23,504.04</b>           | <b>22,883.38</b>        |
| <b>EQUITY AND LIABILITIES</b>                        |                |                            |                         |
| <b>I. Equity</b>                                     |                |                            |                         |
| Equity share capital                                 | 16             | 424.03                     | 424.03                  |
| Other equity   | 17             | 16,736.04                  | 15,822.69               |
| <b>Total equity</b>                                  | <b>A</b>       | <b>17,160.07</b>           | <b>16,246.72</b>        |
| <b>Liabilities</b>                                   |                |                            |                         |
| <b>II. Non- current liabilities</b>                  |                |                            |                         |
| Provisions   | 18             | 260.42                     | 251.81                  |
| Deferred tax liabilities (net)                       | 19             | 805.56                     | 792.61                  |
|  | <b>B</b>       | <b>1,065.98</b>            | <b>1,044.42</b>         |
| <b>III. Current liabilities</b>                      |                |                            |                         |
| Financial liabilities                                |                |                            |                         |
| - Trade payables                                     | 20             |                            |                         |
| - Payables to Micro and Small Enterprises            |                | -                          | -                       |
| - Payables to other than Micro and Small Enterprises |                | 4,414.92                   | 4,932.94                |
| - Other financial liabilities                        | 21             | 467.25                     | 457.37                  |
| Provisions   | 18             | 43.78                      | 43.78                   |
| Other current liabilities                            | 22             | 284.53                     | 158.15                  |
| Current Tax Liabilities (Net)                        | 9              | 67.51                      | -                       |
|  | <b>C</b>       | <b>5,277.99</b>            | <b>5,592.24</b>         |
| <b>Total equity and liabilities</b>                  | <b>(A+B+C)</b> | <b>23,504.04</b>           | <b>22,883.38</b>        |

The accompanying notes form an integral part of these financial statements.

**For Lumax DK Auto Industries Ltd.**

sd/-  
**Pravin Jain**  
DGM-Finance

**Supplementary unaudited Accounting Statement of Lumax DK Auto Industries Ltd. ("Transferrer Company") as at  
December 31, 2018**  
**Condensed Statement of Profit and loss for period ended December 31, 2018**  
*(Amounts in INR lacs, unless otherwise stated)*

| Particulars |   | Notes | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|-------------|---|-------|---|--------------------------------------|
| <b>I.</b>   | Revenue from operations   | 23    | <b>24,106.64</b>                          | 34,991.07                            |
| <b>II.</b>  | Other income  | 24    | <b>976.01</b>                             | 954.06                               |
| <b>III</b>  | <b>Total income</b>   |       | <b>25,082.65</b>                          | 35,945.13                            |
| <b>IV</b>   | <b>Expenses</b>   |       |   |                                      |
|             | Cost of raw material and components consumed  | 25    | <b>17,039.71</b>                          | 26,016.35                            |
|             | Cost of moulds consumed   | 25    | <b>34.63</b>                              | 260.40                               |
|             | (Increase)/Decrease in inventories of finished goods and work-in-progress                                   | 26    | <b>(127.01)</b>                           | (7.70)                               |
|             | Excise duty on sale of goods  |       | -   | 1,021.01                             |
|             | Employee benefits expense   | 27    | <b>2,298.00</b>                           | 2,600.62                             |
|             | Finance costs   | 28    | -   | -                                    |
|             | Depreciation and amortization expense   | 29    | <b>612.90</b>                             | 852.64                               |
|             | Other expenses  | 30    | <b>2,281.96</b>                           | 2,946.12                             |
| <b>V</b>    | <b>Total expenses</b>   |       | <b>22,140.19</b>                          | <b>33,689.44</b>                     |
| <b>VI</b>   | <b>Profit before exceptional items and tax (III-IV)</b>   |       | <b>2,942.46</b>                           | 2,255.69                             |
|             | Exceptional Items   |       | -   | -                                    |
| <b>VII</b>  | <b>Profit before tax</b>  |       | <b>2,942.46</b>                           | 2,255.69                             |
| <b>VIII</b> | <b>Tax expense:</b>   | 31    |   |                                      |
|             | Current tax   |       | <b>720.04</b>                             | 479.38                               |
|             | MAT Credit (Entitlement)/Utilised   |       | <b>284.52</b>                             | 251.03                               |
|             | Adjustment of tax relating to earlier years   |       | <b>1.64</b>                               | (6.50)                               |
|             | Deferred tax  |       | <b>8.61</b>                               | 58.42                                |
|             | <b>Total tax expense</b>  |       | <b>1,014.81</b>                           | 782.33                               |
| <b>IX</b>   | <b>Profit for the year (VII-VIII)</b>   |       | <b>1,927.65</b>                           | 1,473.36                             |
| <b>X</b>    | <b>OTHER COMPREHENSIVE INCOME</b>   |       |   |                                      |
|             | <b>Items that will not be reclassified to statement of profit and loss</b>                                  |       |   |                                      |
|             | Re-measurement gains/ (losses) on defined benefit plans   |       | <b>1.15</b>                               | 1.39                                 |
|             | Income tax effect   |       | <b>(0.40)</b>                             | (0.49)                               |
|             | Revaluation of Investment in Equity   |       | <b>11.27</b>                              | 14.84                                |
|             | Income tax effect   |       | <b>(3.94)</b>                             | (5.19)                               |
|             | <b>Net comprehensive income not to be reclassified to statement of profit or loss in subsequent periods</b> |       | <b>8.08</b>                               | 10.55                                |
| <b>XI</b>   | <b>Other comprehensive income for the year, net of tax</b>  |       | <b>8.08</b>                               | 10.55                                |
| <b>XII</b>  | <b>Total comprehensive income of the year, net of tax</b>   |       | <b>1,935.73</b>                           | 1,483.91                             |
|             | <b>Earnings per share:</b>  |       |   |                                      |
|             | 1) Basic  |       | <b>45.46</b>                              | 34.75                                |
|             | 2) Diluted  |       | <b>45.46</b>                              | 34.75                                |

The accompanying notes form an integral part of these financial statements.

**For Lumax DK Auto Industries Ltd.**

sd/-  
**Pravin Jain**  
DGM-Finance

**Lumax DK Auto Industries Ltd**  
**Statement of Changes in equity for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

|   | Share capital*<br>(1) | Other Equity      |                |                 |                                   | Total equity<br>(1+2) |
|---|-----------------------|-------------------|----------------|-----------------|-----------------------------------|-----------------------|
|   |                       | Retained earnings | FVTOCI Reserve | General reserve | Total Reserves and surplus<br>(2) |                       |
| <b>As at April 01, 2017</b>                                 | 424.03                | 14,728.80         | 142.11         | 233.40          | 15,104.31                         | 15,528.34             |
| Add: Profit for the year                                    | -                     | 1,473.36          | -              | -               | 1,473.36                          | 1,473.36              |
| Add: Other comprehensive income                             | -                     | 0.90              | 9.65           | -               | 10.55                             | 10.55                 |
| Less: Transferred from Retained Earnings to General Reserve | -                     | -172.18           | -              | 172.18          | -                                 | -                     |
| Less: Dividend declared & paid                              | -                     | -636.05           | -              | -               | -636.05                           | -636.05               |
| Less: Tax on Dividend                                       | -                     | -129.48           | -              | -               | -129.48                           | -129.48               |
| <b>As at 31 March, 2018</b>                                 | 424.03                | 15,265.35         | 151.76         | 405.58          | 15,822.69                         | 16,246.72             |
| <b>As at April 01, 2018</b>                                 | 424.03                | 15,265.35         | 151.76         | 405.58          | 15,822.69                         | 16,246.72             |
| Add: Profit for the year                                    | -                     | 1,927.65          | -              | -               | 1,927.65                          | 1,927.65              |
| Add: Other comprehensive income                             | -                     | 0.75              | 7.33           | -               | 8.08                              | 8.08                  |
| Less: Transferred from Retained Earnings to General Reserve | -                     | -147.00           | -              | 147.00          | -                                 | -                     |
| Less: Dividend declared & paid                              | -                     | -848.06           | -              | -               | -848.06                           | -848.06               |
| Less: Tax on Dividend                                       | -                     | -174.32           | -              | -               | -174.32                           | -174.32               |
| <b>As at December 31, 2018</b>                              | 424.03                | 16,024.37         | 159.09         | 552.58          | 16,736.04                         | 17,160.07             |

\* 42,40,313 equity shares of Rs. 10/- each fully paid up

The accompanying notes form an integral part of these financial statements

**Lumax DK Auto Industries Ltd**  
**Statement of Cash Flows for the period ended 31 December 2018**

*(Amounts in INR lacs, unless otherwise stated)*

| <b>Particulars</b>   | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| A Net cash flows from operating activities                 | <b>1,031.44</b>                                   | 2,149.88                             |
| B Net cashfrom / ( used) in investing activities           | <b>(463.68)</b>                                   | (1,140.34)                           |
| C Net cash used in financing activities:                   | <b>(1,022.38)</b>                                 | (765.53)                             |
| <b>Net increase/(decreas) in cash and cash equivalents</b> | <b>(454.62)</b>                                   | 244.01                               |
| Cash and cash equivalents at the beginning of the year     | <b>603.08</b>                                     | 359.07                               |
| <b>Cash and cash equivalents at year end</b>               | <b>148.46</b>                                     | 603.08                               |

The accompanying notes form an integral part of these financial statements

**1. CORPORATE INFORMATION**

Lumax DK Auto Industries Limited is a Public Limited Company in India and incorporated under the Companies Act, 1956. The Company is founded in the year 1997 and is a part of the D.K. Jain Group of companies engaged in business of manufacturing of automotive parts.

**2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The condensed financial statements as at 31 December 2018 have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Company management had previously issued its Annual Audited Financial Statements for the year ended 31 March 2018 on 28 May 2018 that were prepared in accordance with the Indian Accounting Standard (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under the Section of Companies Act 2013 and other relevant provisions of the Act.

Information as at 31 December 2018 and for the period then ended is proposed to be sent to the National Company Law Tribunal (NCLT), creditors shareholders and other statutory authorities, in accordance with the requirements of the Companies Act 2013.

The financial results of the company for the nine months period ended 31 December 2018 were reviewed by statutory auditors of the Company and an unqualified Limited Review Report was given thereon.

These compiled information are not a complete set of financial statements prepared as per the requirements of the companies Act 2013 or the requirements of the Ind AS 24 "Interim Financial Reporting".

All the amounts included in the financial statements are reported in lakhs of Indian Rupees and are rounded to the nearest lakh, except per share data and unless stated otherwise.

**2.1 Significant accounting policies, accounting estimates, assumptions and judgements**

The accounting policies, accounting estimates, assumptions and judgements adopted in the compilation of these financial information are consistent with those followed in the preparation of the Company's latest Annual financial statements.



**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018***(Amounts in INR lacs, unless otherwise stated)***3 Property, plant and equipment and capital work in progress****a) Property, plant and equipment (net)**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| Freehold land            | 274.07                     | 274.07                  |
| Leasehold Land           | 378.72                     | 382.25                  |
| Building                 | 1,710.03                   | 1,768.32                |
| Buildings (Non- Factory) | 116.44                     | 115.32                  |
| Plant and Machinery      | 4,711.30                   | 4,899.15                |
| Furniture and Fixtures   | 25.07                      | 26.74                   |
| Vehicles                 | 99.22                      | 105.72                  |
| Office Equipments        | 36.31                      | 45.28                   |
| Computers                | 14.88                      | 17.24                   |
| <b>Total</b>             | <b>7,366.04</b>            | 7,634.09                |

**b) Capital work in progress**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| Capital work in progress | 80.17                      | 23.09                   |
| <b>Total</b>             | <b>80.17</b>               | 23.09                   |

Lumax DK Auto Industries Ltd  
Notes to financial statements for the period ended December 31, 2018

(Amounts in INR lacs, unless otherwise stated)

3.1 Property, Plant and Equipment

|                                     | Freehold land | Leasehold Land | Building |                         | Plant and Machinery | Furniture and fixtures | Office equipments | Vehicles | Computers | Total     |
|-------------------------------------|---------------|----------------|----------|-------------------------|---------------------|------------------------|-------------------|----------|-----------|-----------|
|                                     |               |                | Building | Buildings (Non-Factory) |                     |                        |                   |          |           |           |
| <b>Cost or valuation</b>            |               |                |          |                         |                     |                        |                   |          |           |           |
| As at April 01, 2017                | 288.41        | 421.90         | 2,390.53 | 136.86                  | 8,522.04            | 65.54                  | 133.77            | 177.09   | 128.90    | 12,265.04 |
| Additions                           | -             | -              | 23.89    | -                       | 888.13              | 4.01                   | 11.28             | -        | 6.64      | 933.95    |
| Disposals                           | -14.34        | -              | -        | -                       | -236.46             | -                      | -                 | -0.11    | -0.80     | -251.71   |
| As at March 31, 2018                | 274.07        | 421.90         | 2,414.42 | 136.86                  | 9,173.71            | 69.55                  | 145.05            | 176.98   | 134.74    | 12,947.28 |
| As at April 01, 2018                | 274.07        | 421.90         | 2,414.42 | 136.86                  | 9,173.71            | 69.55                  | 145.05            | 176.98   | 134.74    | 12,947.28 |
| Additions                           | -             | -              | 2.66     | 2.83                    | 258.98              | 1.74                   | 1.80              | 15.57    | 6.55      | 290.13    |
| Disposals                           | -             | -              | -        | -                       | -                   | -                      | -                 | -6.00    | -         | -6.00     |
| Fixed asset held for sale           | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| As at December 31, 2018             | 274.07        | 421.90         | 2,417.08 | 139.69                  | 9,432.69            | 71.29                  | 146.85            | 186.55   | 141.29    | 13,231.41 |
| <b>Depreciation and Impairments</b> |               |                |          |                         |                     |                        |                   |          |           |           |
| As at April 01, 2017                | -             | 34.97          | 565.62   | 19.30                   | 3,740.45            | 38.23                  | 84.90             | 42.65    | 102.89    | 4,629.01  |
| Additions                           | -             | 4.68           | 80.48    | 2.24                    | 629.24              | 4.58                   | 14.87             | 28.61    | 15.20     | 779.90    |
| Disposals                           | -             | -              | -        | -                       | -95.13              | -                      | -                 | -        | -0.59     | -95.72    |
| As at March 31, 2018                | -             | 39.65          | 646.10   | 21.54                   | 4,274.56            | 42.81                  | 99.77             | 71.26    | 117.50    | 5,313.19  |
| As at April 01, 2018                | -             | 39.65          | 646.10   | 21.54                   | 4,274.56            | 42.81                  | 99.77             | 71.26    | 117.50    | 5,313.19  |
| Depreciation Charge for the period  | -             | 3.53           | 60.95    | 1.71                    | 446.83              | 3.41                   | 10.77             | 21.95    | 8.91      | 558.06    |
| Disposal                            | -             | -              | -        | -                       | -                   | -                      | -                 | -5.88    | -         | -5.88     |
| Fixed asset held for sale           | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| Impairment of assets                | -             | -              | -        | -                       | -                   | -                      | -                 | -        | -         | -         |
| As at December 31, 2018             | -             | 43.18          | 707.05   | 23.25                   | 4,721.39            | 46.22                  | 110.54            | 87.33    | 126.41    | 5,865.37  |
| <b>Net Block</b>                    |               |                |          |                         |                     |                        |                   |          |           |           |
| As at March 31, 2018                | 274.07        | 382.25         | 1,768.32 | 115.32                  | 4,899.15            | 26.74                  | 45.28             | 105.72   | 17.24     | 7,634.09  |
| As at December 31, 2018             | 274.07        | 378.72         | 1,710.03 | 116.44                  | 4,711.30            | 25.07                  | 36.31             | 99.22    | 14.88     | 7,366.04  |

## 4 Investment Property

|                                     | Freehold Lands | Non Factory Buildings | Total           |
|-------------------------------------|----------------|-----------------------|-----------------|
| <b>Gross carrying amount</b>        |                |                       |                 |
| As at April 01, 2017                | 609.08         | 1,694.95              | 2,304.03        |
| Additions                           | -              | -                     | -               |
| Deductions                          | (14.46)        | -                     | (14.46)         |
| As at 31 March, 2018                | 594.62         | 1,694.95              | 2,289.57        |
| As at April 01, 2018                | 594.62         | 1,694.95              | 2,289.57        |
| Additions                           | -              | -                     | -               |
| Deductions                          | -              | -                     | -               |
| <b>As at December 31, 2018</b>      | <b>594.62</b>  | <b>1,694.95</b>       | <b>2,289.57</b> |
| <b>Depreciation and Impairments</b> |                |                       |                 |
| As at April 01, 2017                | -              | 301.42                | 301.42          |
| Depreciation Charge for the year    | -              | 57.41                 | 57.41           |
| As at 31 March, 2018                | -              | <b>358.83</b>         | <b>358.83</b>   |
| As at April 01, 2018                | -              | 358.83                | 358.83          |
| Depreciation Charge for the year    | -              | 43.26                 | 43.26           |
| Deductions                          | -              | -                     | -               |
| <b>As at December 31, 2018</b>      | <b>-</b>       | <b>402.09</b>         | <b>402.09</b>   |
| <b>Net Block</b>                    |                |                       |                 |
| As at 31 March, 2018                | 594.62         | 1,336.12              | 1,930.74        |
| <b>As at December 31, 2018</b>      | <b>594.62</b>  | <b>1,292.86</b>       | <b>1,887.48</b> |

## i) Amount recognised in profit or loss for Investment Properties

| Particulars   | As at             | As at          |
|---|-------------------|----------------|
|   | December 31, 2018 | March 31, 2018 |
| Rental Income   | <b>304.52</b>     | 371.35         |
| Direct operating expenses from property that generated rental Income        | -                 | (8.67)         |
| Direct operating expenses from property that did not generate rental Income | -                 | -              |
| <b>Profit from Investment property before depreciation</b>                  | <b>304.52</b>     | 362.68         |
| Depreciation  | <b>(43.26)</b>    | (57.41)        |
| <b>Profit from Investment property</b>                                      | <b>261.26</b>     | 305.27         |

## ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property

Lumax DK Auto Industries Ltd  
Notes to financial statements for the period ended December 31, 2018  
Lumax DK Auto Industries Ltd  
Notes to financial statements for the period ended December 31, 2018

(Amounts in INR lacs, unless otherwise stated)

5 Intangible assets

a) Details of intangible assets:

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| <b>Intangible assets</b> |                            |                         |
| - Computer software      | 19.39                      | 29.63                   |
| <b>Total</b>             | <b>19.39</b>               | 29.63                   |

b) Disclosures regarding gross block of intangible assets, accumulated amortisation and net block are as given below:

|                                       | Computer softwares | Total         |
|---------------------------------------|--------------------|---------------|
| <b>Cost</b>                           |                    |               |
| At April 01, 2017                     | 115.31             | 115.31        |
| Add: Additions                        | -                  | -             |
| Less: Disposals                       | -                  | -             |
| At March 31, 2018                     | 115.31             | 115.31        |
| At April 01, 2018                     | 115.31             | 115.31        |
| Add: Additions                        | 1.34               | 1.34          |
| Less: Disposals                       | -                  | -             |
| <b>As at December 31, 2018</b>        | <b>116.65</b>      | <b>116.65</b> |
| <b>Amortisation</b>                   |                    |               |
| At April 01, 2017                     | 70.35              | 70.35         |
| Add: Amortisation charge for the year | 15.33              | 15.33         |
| Less: Disposals                       | -                  | -             |
| At March 31, 2018                     | 85.68              | 85.68         |
| At April 01, 2018                     | 85.68              | 85.68         |
| Add: Amortisation charge for the year | 11.58              | 11.58         |
| Less: Disposals                       | -                  | -             |
| <b>As at December 31, 2018</b>        | <b>97.26</b>       | <b>97.26</b>  |
| <b>Net book value</b>                 |                    |               |
| At March 31, 2018                     | 29.63              | 29.63         |
| <b>As at December 31, 2018</b>        | <b>19.39</b>       | <b>19.39</b>  |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**6 Investments**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>A. Investments</b>  |                            |                         |
| <b>Non Current (I)</b>   |                            |                         |
| <i>Investments in equity instruments of other entities (at fair value through other comprehensive income)*</i> |                            |                         |
| Nos. 300420 (March 31, 2018: Nos. 300420) Equity Share of Rs. 10 each fully paid up of Lumax Ancillary Ltd     | 544.61                     | 533.34                  |
|  | <b>544.61</b>              | 533.34                  |
| Aggregate value of unquoted  | 544.61                     | 533.34                  |
| Aggregate amount of impairment in value of Investments   | -                          | -                       |
| <b>Current (II)</b>  |                            |                         |
| <b>Quoted</b>  |                            |                         |
| <b>In Mutual Funds</b>   | 1,668.23                   | 1,477.10                |
|  | <b>1,668.23</b>            | 1,477.10                |

**7 Loans**

|                          | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|----------------------------|-------------------------|
| <b>Loans</b>             |                            |                         |
| Loan to Employees        | 15.08                      | 7.60                    |
|                          | <b>15.08</b>               | 7.60                    |
| <b>Current (I)</b>       | 15.08                      | 7.60                    |
| <b>Non- current (II)</b> |                            |                         |

**8 Other Financial assets**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Non- current</b>  |                            |                         |
| Security deposits  | 131.80                     | 86.10                   |
| Provision for bad & doubtful debts                           | -                          | -                       |
| <b>Total</b>   | <b>131.80</b>              | 86.10                   |
| Deposits with remaining maturity for more than twelve months | 950.00                     | -                       |
| <b>Total (A)</b>   | <b>1,081.80</b>            | 86.10                   |
| <b>Current</b>   |                            |                         |
| Interest accrued but not due                                 | 42.80                      | 23.44                   |
| Other recoverables   | 8.81                       | 8.81                    |
| <b>Total (B)</b>   | <b>51.61</b>               | 32.25                   |
| <b>Total (A+B)</b>   | <b>1,133.41</b>            | 118.35                  |

\*Investment in equity instrument (unquoted ) of Lumax Ancillary Ltd where the business model of the company is not for trading , the company has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Other Comprehensive income (FVTOCI).

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**9 INCOME TAX ASSETS/(LIABILITIES) -(NET)**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>Income Tax Assets</b>                      |                            |                         |
| Advance Tax (Net of Provision)                | 13.61                      | 11.04                   |
| MAT Credit Entitlement                        | -                          | 285.50                  |
| <b>Total</b>                                  | <b>13.61</b>               | <b>296.54</b>           |
| <b>Income Tax Liabilities</b>                 |                            |                         |
| Provision for Income Tax (Net of Advance Tax) | 67.51                      | -                       |
|   | -                          | -                       |
|   | <b>67.51</b>               | -                       |

**10 Assets Classified as held for disposal**

|                            | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|----------------------------|----------------------------|-------------------------|
| Fixed Assets held for sale | -                          | 2.13                    |
| <b>Total</b>               | <b>-</b>                   | <b>2.13</b>             |

**11 Other assets**

(Unsecured, considered good, unless otherwise stated)

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>Non- current</b>                             |                            |                         |
| Capital Advances                                | 138.97                     | 74.60                   |
| Prepaid Expenses                                | -                          | 0.55                    |
| ESI Recoverable                                 | 0.78                       | 0.78                    |
|   | <b>139.75</b>              | 75.93                   |
| Less: Provision for doubtful capital advances   | -                          | -                       |
| <b>Total (A)</b>                                | <b>139.75</b>              | <b>75.93</b>            |
| <b>Current</b>                                  |                            |                         |
| Balance with statutory / government authorities | 24.32                      | 23.48                   |
| Advance to suppliers                            | 112.99                     | 36.24                   |
| Prepaid expenses                                | 23.42                      | 22.24                   |
| Advance to employees                            | 0.30                       | -                       |
| Advances Recoverable                            | 31.78                      | 22.17                   |
| <b>Total (B)</b>                                | <b>192.81</b>              | <b>104.13</b>           |
| <b>Total (A+B)</b>                              | <b>332.56</b>              | <b>180.06</b>           |

**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018****(Amounts in INR lacs, unless otherwise stated)****12 Inventories**

|  | <b>As at<br/>December 31, 2018</b> | As at<br>March 31, 2018 |
|--|------------------------------------|-------------------------|
| Raw materials  | <b>396.73</b>                      | 476.58                  |
| - In transit   | -                                  |                         |
| Work-in-progress   | <b>104.51</b>                      | 44.15                   |
| Finished goods [including sales in transit Rs.82.02 (PY Rs.73.18 )]    | <b>218.00</b>                      | 151.35                  |
| Moulds,Tools & Dies in process   | <b>244.54</b>                      | 1.20                    |
| Packing Material   | <b>69.69</b>                       | 44.31                   |
| Stores and spares  | <b>140.54</b>                      | 129.37                  |
| <b>Total inventories at the lower of cost and net realisable value</b> | <b>1,174.01</b>                    | 846.96                  |

**13 Trade receivables**

|  | <b>As at<br/>December 31, 2018</b> | As at<br>March 31, 2018 |
|--|------------------------------------|-------------------------|
| <b>Unsecured, Considered good (unless otherwise sated)</b> |                                    |                         |
| Receivable from Related parties                            | <b>5,191.32</b>                    | 5,837.09                |
| Receivable from Others                                     | <b>2,624.52</b>                    | 2,369.68                |
| Doubtful   | -                                  | -                       |
| Less: Provision for Doubtful Debtors                       | -                                  | -                       |
| <b>Total Trade receivables</b>                             | <b>7,815.84</b>                    | <b>8,206.77</b>         |

**Lumax DK Auto Industries Ltd****Notes to financial statements for the period ended December 31, 2018****(Amounts in INR lacs, unless otherwise stated)****14 Cash and cash equivalents:**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| Balances with banks:  |                            |                         |
| - on current accounts                                       | 37.14                      | 215.18                  |
| - Deposits with original maturity of less than three months | 110.00                     | 385.44                  |
| Cash on hand  | 1.32                       | 2.46                    |
| <b>Total</b>  | <b>148.46</b>              | <b>603.08</b>           |

**15 Other bank balances**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Other bank balances</b>   |                            |                         |
| - Deposits having original maturity of more than 12 months                                       | 950.00                     | -                       |
| - Deposits with remaining maturity more than three months but less than twelve months            | 1,305.15                   | 993.90                  |
| <b>Total</b>   | <b>2,255.15</b>            | <b>993.90</b>           |
| Less: Deposits having maturity of more than twelve months disclosed under other financial assets | 950.00                     | -                       |
| <b>Total</b>   | <b>1,305.15</b>            | <b>993.90</b>           |



16 Share Capital

a) Details of share capital is as follows:

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Authorised share capital</b><br>Nos. 21,100,000 (PY Nos. 21,100,000) equity shares of Rs. 10 each     | 2,110                      | 2,110                   |
|  | <b>2,110</b>               | 2,110                   |
| <b>Issued, subscribed and paid up</b><br>Nos. 4,240,313 (PY Nos. 4,240,313) equity shares of Rs. 10 each | <b>424.03</b>              | 424.03                  |
|  | <b>424.03</b>              | 424.03                  |

b) Reconciliation of authorised share capital

|                                | Equity Shares              |              |
|--------------------------------|----------------------------|--------------|
|                                | No. of shares<br>(in lacs) | Amount       |
| As at April 01, 2017           | 211                        | 2,110        |
| Issued during the year         | -                          | -            |
| As at March 31, 2018           | 211                        | 2,110        |
| As at April 01, 2018           | 211                        | 2,110        |
| Issued during the year         | -                          | -            |
| <b>As at December 31, 2018</b> | <b>211</b>                 | <b>2,110</b> |

c) Reconciliation of issued, subscribed and paid up share capital

|   | Equity Shares              |               |
|---|----------------------------|---------------|
|   | No. of shares<br>(in lacs) | Amount        |
| <b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b> |                            |               |
| As at April 01, 2017  | 42.40                      | 424.03        |
| Issued during the year  | -                          | -             |
| As at March 31, 2018  | 42.40                      | 424.03        |
| As at April 01, 2018  | 42.40                      | 424.03        |
| Issued during the year  | -                          | -             |
| <b>As at December 31, 2018</b>  | <b>42.40</b>               | <b>424.03</b> |

**d) Terms /rights attached to the equity shares:**

1 The Company has one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing 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 all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2 All equity shares are held by holding company ,M/s Lumax Auto Technologies Ltd.

3 Details of shareholders holding more than 5% shares in the company

| Name of the shareholder                         | As at December 31, 2018 |                                | As at March 31, 2018    |                                |
|---|-------------------------|--------------------------------|-------------------------|--------------------------------|
|   | No. of shares (in lacs) | % holding in the equity shares | No. of shares (in lacs) | % holding in the equity shares |
| Equity shares of INR 10 each fully paid         |                         |                                |                         |                                |
| Lumax Auto Technologies Ltd. (Holding Company)* | 42.40                   | 100%                           | 42.40                   | 100%                           |
| * includes Nominee shares                       |                         |                                |                         |                                |

**17 Other equity**

|   | Retained earnings | FVTOCI Reserve | Securities premium | General reserve | Total            |
|---|-------------------|----------------|--------------------|-----------------|------------------|
| <b>As at April 1, 2017</b>                          | 14,728.80         | 142.11         | -                  | 233.40          | 15,104.31        |
| Profit for the year                                 | 1,473.36          | -              | -                  | -               | 1,473.36         |
| Other comprehensive income for the year, net of tax | 0.90              | 9.65           | -                  | -               | 10.55            |
| Less: Transferred from Retained Earnings to General | -172.18           | -              | -                  | 172.18          | -                |
| Less: Dividend declared & paid                      | -636.05           | -              | -                  | -               | -636.05          |
| Less: Tax on Dividend                               | -129.48           | -              | -                  | -               | -129.48          |
| <b>As at March 31, 2018</b>                         | 15,265.35         | 151.76         | -                  | 405.58          | 15,822.69        |
| <b>As at April 1, 2018</b>                          | 15,265.35         | 151.76         | -                  | 405.58          | 15,822.69        |
| Profit for the year                                 | 1,927.65          | -              | -                  | -               | 1,927.65         |
| Other comprehensive income for the year, net of tax | 0.75              | 7.33           | -                  | -               | 8.08             |
| Less: Transferred from Retained Earnings to General | -147.00           | -              | -                  | 147.00          | -                |
| Less: Dividend declared & paid                      | -848.06           | -              | -                  | -               | -848.06          |
| Less: Tax on Dividend                               | -174.32           | -              | -                  | -               | -174.32          |
| <b>As at December 31, 2018</b>                      | <b>16,024.37</b>  | <b>159.09</b>  | <b>-</b>           | <b>552.58</b>   | <b>16,736.04</b> |

**18 Provisions**

|                                    | As at December 31, 2018 | As at March 31, 2018 |
|------------------------------------|-------------------------|----------------------|
| <b>Non Current</b>                 |                         |                      |
| Provision for gratuity             | 42.91                   | 56.91                |
| Provision for compensated absences | 217.51                  | 194.90               |
| <b>TOTAL</b>                       | <b>260.42</b>           | <b>251.81</b>        |
| <b>Current</b>                     |                         |                      |
| Provision for gratuity             | 25.26                   | 25.26                |
| Provision for compensated absences | 18.52                   | 18.52                |
| <b>TOTAL</b>                       | <b>43.78</b>            | <b>43.78</b>         |

19 DEFERRED TAX

| PARTICULARS   | As at<br>December 31, 2018         | As at<br>March 31, 2018         |
|---|------------------------------------|---------------------------------|
| <b>DEFERRED TAX LIABILITY (NET)</b>   |                                    |                                 |
| Opening Balance   | 792.61                             | 728.51                          |
| Add: Tax effect of Fair Valuation of Equity Investments   | 3.94                               | 5.19                            |
| Tax effect of Remeasurement of Defined Benefits   | 0.40                               | 0.49                            |
| Transfer from Statement of Profit & Loss  | 8.61                               | 58.42                           |
| <b>Closing Balance</b>  | <b>805.56</b>                      | 792.61                          |
| <b>DEFERRED TAX ASSETS (A)</b>  |                                    |                                 |
| Expenditure covered u/s 43B of Income Tax Act.  |                                    |                                 |
| Leave Encashment  | 82.48                              | 74.58                           |
| Bonus   | 14.83                              | 17.71                           |
| Provision for Gratuity  | 23.82                              | 28.71                           |
| Expenditure covered u/s 35DD of Income Tax Act  | -                                  | 0.73                            |
| Provison for bad and doubtful debts   | -                                  | -                               |
| <b>Total- A</b>   | <b>121.13</b>                      | 121.73                          |
| <b>DEFERRED TAX LIABILITY (B)</b>   |                                    |                                 |
| Difference between carrying amount of Intangible Assets and Property, Plant & Equipments in the financial statements and Income Tax Act.  | 833.39                             | 828.39                          |
| Un-realised gain on Mutual Fund   | 8.96                               | 5.55                            |
| Fair Value of Investment in Equity  | 84.34                              | 80.40                           |
| <b>Total- B</b>   | <b>926.69</b>                      | 914.34                          |
|   |                                    |                                 |
| <b>DEFERRED TAX LIABILITY (NET) (B-A)</b>   | <b>805.56</b>                      | 792.61                          |
| <b>DEFERRED TAX MOVEMENT</b>  | <b>As at<br/>December 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
| Difference between carrying amount of Intangible Assets and Property, Plant and Equipment in the financial statements and Income Tax Act. | 5.00                               | 41.41                           |
| Un-realised gain on Mutual Fund   | 3.41                               | 5.55                            |
|   | <b>8.41</b>                        | 46.96                           |
| Expenditure covered u/s 43B of Income Tax Act.  |                                    |                                 |
| Leave Encashment  | 7.90                               | 6.63                            |
| Bonus   | -2.88                              | 0.37                            |
| Provision for Gratuity  | -4.89                              | -11.55                          |
| Expenditure covered u/s 35DD of Income Tax Act  | -0.73                              | -1.61                           |
| Provison for bad and doubtful debts   | -                                  | -5.79                           |
|   | <b>-0.60</b>                       | -11.95                          |
| Tax effect of Remeasurement of Defined Benefits   | 0.40                               | 0.49                            |
| <b>DEFERRED TAX EXPENSE/(INCOME) RECOGNISED IN PROFIT &amp; LOSS</b>  | <b>8.61</b>                        | 58.42                           |

**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**20 Trade payables**

|   | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|---|----------------------------|-------------------------|
| <b>A. Trade payables</b>                                  |                            |                         |
| - Trade payables  | 3,686.09                   | 4,480.16                |
| - Related parties   | 488.70                     | 400.49                  |
| <b>B. Other payables</b>                                  |                            |                         |
| - Other payables  | 240.13                     | 52.29                   |
| <b>Total</b>  | <b>4,414.92</b>            | <b>4,932.94</b>         |
| <b>Payables to Micro and Small Enterprises</b>            | -                          | -                       |
| <b>Payables to Others than Mico and Small Enterprises</b> | <b>4,414.92</b>            | <b>4,932.94</b>         |

**21 Other financial liabilities**

|  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>Other financial liabilities at amortised cost</b> |                            |                         |
| <b>Current</b>                                       |                            |                         |
| Amount payable for property, plant and equipment     | 49.11                      | 76.49                   |
| Accrued Salaries & benefits to employees             | 418.14                     | 380.88                  |
| <b>Total</b>   | <b>467.25</b>              | <b>457.37</b>           |

**22 Other liabilities**

|                        | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|------------------------|----------------------------|-------------------------|
| <b>Current</b>         |                            |                         |
| Statutory dues         | 195.83                     | 155.75                  |
| Advance from customers | 88.70                      | 2.40                    |
| <b>Total</b>           | <b>284.53</b>              | <b>158.15</b>           |

23 Revenue from operations

The details of revenue from operations is as follows:

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Sale of products</b>                  |   |                                      |
| Finished goods                           | 23,841.85                                 | 33,463.60                            |
| Excise duty on sales                     | -   | 1,021.01                             |
| <b>Total sale of products (A)</b>        | <b>23,841.85</b>                          | <b>34,484.61</b>                     |
| <b>Other operating revenue:</b>          |   |                                      |
| Scrap sale                               | 31.93                                     | 35.64                                |
| Job work Income                          | 185.12                                    | 155.15                               |
| Die & tool sale                          | 47.74                                     | 315.67                               |
| <b>Total other operating revenue (B)</b> | <b>264.79</b>                             | <b>506.46</b>                        |
| <b>Revenue from operations (A+B)</b>     | <b>24,106.64</b>                          | <b>34,991.07</b>                     |

24 Other income

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Other non-operating income</b>                        |   |                                      |
| Interest income  |   |                                      |
| - On fixed deposits                                      | 75.33                                     | 93.43                                |
| - Others   | 5.16                                      | 6.01                                 |
| Excess Provision Written back                            | 1.15                                      | 46.42                                |
| Mutual Fund Income/realised/unrealised                   | 91.13                                     | 32.10                                |
| Royalty Income   | 126.03                                    | 160.48                               |
| Miscellaneous income                                     | 372.07                                    | 237.10                               |
| Rental Income  | 304.52                                    | 371.35                               |
| Net gain on foreign currency transaction and translation | -   | 1.72                                 |
| Gain on sales of fixed assets (net)                      | 0.62                                      | 5.45                                 |
| <b>Total</b>   | <b>976.01</b>                             | <b>954.06</b>                        |

**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**25 Cost of raw materials and components consumed**

**a) Raw material and components consumed**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Inventory at the beginning of the year               | <b>476.58</b>                                     | 279.99                               |
| Add: Purchases                                       | <b>16,959.86</b>                                  | 26,212.94                            |
| Less: Inventory at the end of the year               | <b>396.73</b>                                     | 476.58                               |
| <b>Cost of raw materials and components consumed</b> | <b>17,039.71</b>                                  | 26,016.35                            |

**b) Cost of moulds consumed**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Inventory at the beginning of the year | <b>1.20</b>                                       | 25.52                                |
| Add: Purchases made during the year    | <b>277.97</b>                                     | 236.08                               |
| Less: Inventory at the end of the year | <b>244.54</b>                                     | 1.20                                 |
| <b>Cost of moulds consumed</b>         | <b>34.63</b>                                      | 260.40                               |

(Amounts in INR lacs, unless otherwise stated)

## 26 (Increase)/Decrease in inventories of finished goods and work-in-progress

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| <b>Opening stock</b>   |   |                                      |
| - Finished goods   | 151.35                                    | 157.63                               |
| - Work-in progress   | 44.15                                     | 30.17                                |
| <b>Total A</b>   | <b>195.50</b>                             | 187.80                               |
| <b>Closing stock</b>   |   |                                      |
| - Finished goods   | 218.00                                    | 151.35                               |
| - Work-in progress   | 104.51                                    | 44.15                                |
| <b>Total B</b>   | <b>322.51</b>                             | 195.50                               |
| <b>Changes in inventories of finished goods</b>  |   |                                      |
| - Finished goods   | (66.65)                                   | 6.28                                 |
| - Work-in progress   | (60.36)                                   | (13.98)                              |
| <b>(Increase)/Decrease in inventories of finished goods and work-in-progress (A-B)</b> | <b>(127.01)</b>                           | (7.70)                               |

**Lumax DK Auto Industries Ltd**  
**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**27 Employee benefits expense**

|  | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Salaries, wages and bonus                  | <b>1,980.34</b>                                   | 2,257.37                             |
| Contributions to provident and other funds | <b>57.40</b>                                      | 72.86                                |
| Directors Remuneration incl. Commission    | <b>33.06</b>                                      | 25.51                                |
| Gratuity expense                           | <b>37.15</b>                                      | 42.24                                |
| Staff welfare expense                      | <b>190.05</b>                                     | 202.64                               |
| <b>Total</b>                               | <b>2,298.00</b>                                   | 2,600.62                             |

**28 Finance costs**

|                             | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|-----------------------------|---|--------------------------------------|
| Interest on term loans      | -   | -                                    |
| Interest on working capital | -   | -                                    |
| Interest paid to others     | -   | -                                    |
| <b>Total</b>                | -   | -                                    |

**29 Depreciation and amortization expense**

|   | <b>For the period ended<br/>December 31, 2018</b> | For the year ended<br>March 31, 2018 |
|---|---|--------------------------------------|
| Depreciation of tangible assets (refer note 3)          | <b>558.06</b>                                     | 779.90                               |
| Depreciation of investment in properties (refer note 4) | <b>43.26</b>                                      | 57.41                                |
| Amortization of intangible assets (refer note 5)        | <b>11.58</b>                                      | 15.33                                |
| <b>Total</b>  | <b>612.90</b>                                     | 852.64                               |



**Lumax DK Auto Industries Ltd**

**Notes to financial statements for the period ended December 31, 2018**

(Amounts in INR lacs, unless otherwise stated)

**30 Other expenses**

|  | For the period ended<br>December 31, 2018 | For the year ended<br>March 31, 2018 |
|--|---|--------------------------------------|
| Freight and forwarding charges                           | 188.05                                    | 210.89                               |
| Job-work charges   | 29.31                                     | 35.39                                |
| Electricity & Generator Operating Expenses               | 652.35                                    | 764.16                               |
| Consumption of Stores & Spares                           | 168.80                                    | 195.57                               |
| Testing Charges  | 7.46                                      | 16.34                                |
| Travelling and conveyance                                | 51.04                                     | 99.11                                |
| Packing material consumed                                | 286.42                                    | 412.91                               |
| Rent   | 10.72                                     | 8.60                                 |
| Security charges   | 36.77                                     | 53.82                                |
| Legal and professional fees                              | 12.99                                     | 18.16                                |
| Repairs and maintenance                                  |   |                                      |
| - Plant and machinery                                    | 176.37                                    | 175.17                               |
| - Building   | 31.04                                     | 53.63                                |
| - Others   | 157.04                                    | 178.70                               |
| Postage & Telephones                                     | 8.36                                      | 10.78                                |
| Rates and taxes  | 5.21                                      | 40.37                                |
| Statutory Audit Fee *                                    | 11.81                                     | 15.75                                |
| Insurance  | 10.74                                     | 20.35                                |
| CSR expenditure **                                       | 45.00                                     | 41.50                                |
| Vehicle expenses   | 19.14                                     | 22.19                                |
| Printing and stationery                                  | 9.84                                      | 14.08                                |
| Rebate & Discounts                                       | 1.68                                      | 6.97                                 |
| Warranty Claims & Line Rejections                        | 10.98                                     | 4.20                                 |
| Management fees  | 304.62                                    | 427.95                               |
| Realised/Unrealised loss on foreign exchange fluctuation | 10.31                                     | -                                    |
| Bad Debt Written off                                     | 1.15                                      | 66.50                                |
| Amount Written off                                       | 0.60                                      | -                                    |
| Fixed Assets written off                                 | -   | 4.24                                 |
| Miscellaneous expenses                                   | 34.16                                     | 48.79                                |
| <b>Total</b>   | <b>2,281.96</b>                           | <b>2,946.12</b>                      |

## 31 Income tax recognised in statement of Profit and Loss

| Particulars  | As at<br>December 31, 2018 | As at<br>March 31, 2018 |
|--|----------------------------|-------------------------|
| <b>(a) Tax Expenses</b>  |                            |                         |
| <b>Current Tax</b>   |                            |                         |
| In respect of the current year   | <b>1,006.20</b>            | 723.91                  |
| <b>Deferred Tax</b>  |                            |                         |
| In respect of the current year   | <b>8.61</b>                | 58.42                   |
| <b>Total Income Tax expense recognized in the current year</b>                                       | <b>1,014.81</b>            | 782.33                  |
| <b>(b) The Income tax expense for the year can be reconciled to the accounting profit as follows</b> |                            |                         |
| Profit before tax  | <b>2,942.46</b>            | 2,255.69                |
| Tax at the Indian Tax Rate of 34.944% (previous year 34.608%)  | <b>1,028.21</b>            | 780.65                  |
| Tax Effect of amount that are not deductible (taxable) in determining taxable profit                 |                            |                         |
| Corporate Social Responsibility expenditure  | <b>7.86</b>                | 7.00                    |
| Interest on Late deposit of TDS  | -                          | -                       |
| Prior period exp   | -                          | -                       |
| Difference due to change in tax rate   | -                          | 7.00                    |
| Disallowance of expenditure incurred on rented property (net)  | <b>(31.92)</b>             | (19.00)                 |
| Adjustment of current tax for prior period   | <b>1.64</b>                | (6.50)                  |
| Others   | <b>9.02</b>                | 13.18                   |
| <b>Total Tax</b>   | <b>1,014.81</b>            | 782.33                  |

**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF LUMAX AUTO TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AS AT DECEMBER 31, 2018**

**CONDENSED BALANCE SHEET AS AT DECEMBER 31, 2018**

*Amount in INR lacs, unless otherwise stated*

|  | Notes          | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|----------------|-----------------------|-------------------------|
| <b>ASSETS</b>  |                |                       |                         |
| <b>I. Non-current assets</b>   |                |                       |                         |
| Property, plant and equipment  | 3 (a)          | 14,167.26             | 13,917.40               |
| Capital work in progress   | 3 (b)          | 652.19                | 259.81                  |
| Intangible assets  | 4              | 121.23                | 98.50                   |
| Investment in a subsidiaries and a Joint venture                             | 5              | 4,259.71              | 1,630.92                |
| Income tax assets(net)   | 14             | 240.87                | -                       |
| Financial assets   |                |                       |                         |
| - Investments  | 6              | 8,847.30              | 11,474.14               |
| - Other financial assets   | 7              | 286.57                | 178.41                  |
| Other non- current assets  | 8              | 710.74                | 467.98                  |
|  | <b>(A)</b>     | <b>29,285.86</b>      | <b>28,027.16</b>        |
| <b>II. Current assets</b>  |                |                       |                         |
| Inventories  | 9              | 5,467.48              | 4,308.59                |
| Financial assets   |                |                       |                         |
| - Loans  | 10             | 48.31                 | 44.45                   |
| - Trade receivables  | 11             | 17,596.34             | 16,651.96               |
| - Cash and cash equivalents  | 12             | 185.20                | 817.75                  |
| - Other bank balances  | 13             | 13.15                 | 12.15                   |
| - Others financial assets  | 7              | 62.17                 | 59.33                   |
| Other current assets   | 8              | 588.10                | 905.34                  |
|  | <b>(B)</b>     | <b>23,960.76</b>      | <b>22,799.57</b>        |
| <b>Total Assets</b>  | <b>(A+B)</b>   | <b>53,246.62</b>      | <b>50,826.73</b>        |
| <b>EQUITY AND LIABILITIES</b>  |                |                       |                         |
| <b>I. Equity</b>   |                |                       |                         |
| Equity share capital   | 15             | 1,363.15              | 1,363.15                |
| Other equity   | 16             | 24,655.15             | 24,476.96               |
| <b>Total equity</b>  | <b>(A)</b>     | <b>26,018.30</b>      | <b>25,840.11</b>        |
| <b>Liabilities</b>   |                |                       |                         |
| <b>II. Non- current liabilities</b>  |                |                       |                         |
| Financial liabilities  |                |                       |                         |
| -Borrowings  | 17             | 34.58                 | 36.07                   |
| Deferred tax liabilities (net)   | 18             | 818.77                | 1,048.85                |
|  | <b>(B)</b>     | <b>853.35</b>         | <b>1,084.92</b>         |
| <b>III. Current liabilities</b>  |                |                       |                         |
| Financial liabilities  |                |                       |                         |
| - Borrowings   | 17             | 5,227.20              | -                       |
| - Trade payables   |                |                       |                         |
| - total outstanding dues of micro and small enterprises                      |                | -                     | -                       |
| - total outstanding dues of creditors other than micro and small enterprises | 19             | 17,503.31             | 18,817.91               |
| - Other financial liabilities  | 20             | 1,374.91              | 2,468.49                |
| Provisions   | 21             | 465.73                | 349.27                  |
| Other current liabilities  | 22             | 1,803.81              | 2,192.92                |
| Current Tax Liabilities (Net)  | 14             | -                     | 73.11                   |
|  | <b>(C)</b>     | <b>26,374.97</b>      | <b>23,901.70</b>        |
| <b>Total Liabilities</b>   |                | <b>27,228.32</b>      | <b>24,986.62</b>        |
| <b>Total equity and liabilities</b>  | <b>(A+B+C)</b> | <b>53,246.62</b>      | <b>50,826.73</b>        |

The accompanying notes form an integral part of these financial statements

**For Lumax Auto Technologies Limited**

Sd/ -

**Ashish Dubey**  
Chief Financial Officer

**SUPPLEMENTARY UNAUDITED ACCOUNTING STATEMENT OF LUMAX AUTO TECHNOLOGIES LIMITED ("TRANSFEREE COMPANY") AS AT DECEMBER 31, 2018**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED DECEMBER 31, 2018**

*Amount in INR lacs, unless otherwise stated*

|             | Notes  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |                  |
|-------------|--|--------------------------------------|--------------------------------------|------------------|
| I           | Revenue from operations  | 23                                   | 62,389.12                            | 60,750.77        |
| II          | Other income   | 24                                   | 2,124.28                             | 1,499.47         |
| <b>III</b>  | <b>Total income</b>  |                                      | <b>64,513.39</b>                     | <b>62,250.24</b> |
| <b>IV</b>   | <b>Expenses</b>  |                                      |                                      |                  |
|             | Cost of raw material and components consumed   | 25                                   | 33,967.16                            | 28,858.12        |
|             | Cost of moulds consumed  | 26                                   | -                                    | 540.11           |
|             | Purchases of traded goods  |                                      | 10,591.96                            | 12,641.51        |
|             | (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods                      | 27                                   | (614.35)                             | (519.43)         |
|             | Excise duty on sale of goods   |                                      | -                                    | 1,157.49         |
|             | Employee benefits expense  | 28                                   | 5,792.90                             | 5,660.29         |
|             | Finance costs  | 29                                   | 310.58                               | 269.45           |
|             | Depreciation and amortization expense  | 30                                   | 1,073.69                             | 1,332.63         |
|             | Other expenses   | 31                                   | 8,109.29                             | 8,026.56         |
| <b>V</b>    | <b>Total expenses</b>  |                                      | <b>59,231.22</b>                     | <b>57,966.73</b> |
| <b>VI</b>   | <b>Profit before exceptional items and tax (III-V)</b>   |                                      | <b>5,282.18</b>                      | <b>4,283.51</b>  |
|             | Exceptional Item   | 32                                   | -                                    | 227.50           |
| <b>VII</b>  | <b>Profit before tax</b>   |                                      | <b>5,282.18</b>                      | <b>4,056.01</b>  |
| <b>VIII</b> | <b>Tax expense:</b>  |                                      |                                      |                  |
|             | Current tax  | 18                                   | 1,308.52                             | 1,132.22         |
|             | Adjustment of tax relating to earlier years  | 18                                   | 23.65                                | (1.08)           |
|             | Deferred tax   | 18                                   | 63.67                                | 3.10             |
| <b>IX</b>   | <b>Total tax expense</b>   |                                      | <b>1,395.84</b>                      | <b>1,134.24</b>  |
| <b>X</b>    | <b>Profit for the year (VII-IX)</b>  |                                      | <b>3,886.34</b>                      | <b>2,921.77</b>  |
| <b>XI</b>   | <b>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 p  | 33                                   | 34.94                                | 46.58            |
|             | Income tax effect  | 33                                   | (12.21)                              | (16.28)          |
|             | Gain on FVTOCI equity securities   | 33                                   | (2,626.84)                           | 4,232.55         |
|             | Income tax effect  | 33                                   | 305.97                               | (202.72)         |
| <b>XII</b>  | <b>Other comprehensive income for the year, net of tax</b>   |                                      | <b>(2,298.14)</b>                    | <b>4,060.13</b>  |
| <b>XIII</b> | <b>Total comprehensive income of the year, net of tax</b>  |                                      | <b>1,588.19</b>                      | <b>6,981.90</b>  |
|             | <b>Earnings per share (In Rs.) :</b>   |                                      |                                      |                  |
|             | 1) Basic   | 34                                   | 5.70                                 | 4.29             |
|             | 2) Diluted   | 34                                   | 5.70                                 | 4.29             |

The accompanying notes form an integral part of these financial statements

**For Lumax Auto Technologies Limited**

Sd/ -

**Ashish Dubey**  
Chief Financial Officer

(61)

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated***3. Property, plant and equipment and capital work in progress****a) Property, plant and equipment (net)**

The details of property, plant and equipment (net) :

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| Freehold land            | 519.81                        | 519.81                          |
| Leasehold Land           | 300.06                        | 304.35                          |
| Building                 | 2,440.19                      | 2,358.31                        |
| Buildings (Non- Factory) | 1,179.95                      | 1,272.86                        |
| Plant and Equipment's    | 9,236.81                      | 8,947.12                        |
| Furniture and Fixtures   | 154.20                        | 167.18                          |
| Office Equipment's       | 63.38                         | 54.46                           |
| Vehicles                 | 210.08                        | 241.76                          |
| Computers                | 62.97                         | 51.55                           |
| <b>Total</b>             | <b>14,167.26</b>              | <b>13,917.40</b>                |

**b) Capital work in progress**

The details of capital work in progress:

|                            | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|----------------------------|-------------------------------|---------------------------------|
| Capital work in progress * | 652.19                        | 259.81                          |
| <b>Total</b>               | <b>652.19</b>                 | <b>259.81</b>                   |

\* Capital work in progress as at December 31, 2018 comprises expenditure for the plant and equipment's.

**17 Intangible assets****a) Details of intangible assets:**

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| <b>Intangible assets</b> |                               |                                 |
| - Computer software      | 121.23                        | 98.50                           |
| <b>Total</b>             | <b>121.23</b>                 | <b>98.50</b>                    |

LUMAX AUTO TECHNOLOGIES LIMITED  
 Statement of Changes in equity for the year ended December 31, 2018

Amount in INR lacs, unless otherwise stated

|                                   | Share capital*<br>(1) | Other Equity         |                    |                       |                 |                   | Total Reserves<br>and surplus<br>(2) | Total equity<br>(1+2) |
|-----------------------------------|-----------------------|----------------------|--------------------|-----------------------|-----------------|-------------------|--------------------------------------|-----------------------|
|                                   |                       | Retained<br>earnings | Capital<br>Reserve | Securities<br>premium | General reserve | FVTOCI reserve    |                                      |                       |
| As at April 01, 2017              | 1,363.15              | 7,021.62             | 69.09              | 4,528.55              | 1,477.00        | 5,039.48          | 18,135.74                            | 19,498.89             |
| Add: Profit for the year          | -                     | 2,921.77             | -                  | -                     | -               | -                 | 2,921.77                             | 2,921.77              |
| Add: Other comprehensive income   | -                     | 30.30                | -                  | -                     | -               | 4,029.83          | 4,060.13                             | 4,060.13              |
| <b>Total comprehensive income</b> | -                     | <b>2,952.07</b>      | -                  | -                     | -               | <b>4,029.83</b>   | <b>6,981.90</b>                      | <b>6,981.90</b>       |
| Less : Dividend Paid              | -                     | (640.68)             | -                  | -                     | -               | -                 | (640.68)                             | (640.68)              |
| <b>As at March 31, 2018</b>       | <b>1,363.15</b>       | <b>9,333.01</b>      | <b>69.09</b>       | <b>4,528.55</b>       | <b>1,477.00</b> | <b>9,069.31</b>   | <b>24,476.96</b>                     | <b>25,840.11</b>      |
| Add: Profit for the year          | -                     | 3,886.34             | -                  | -                     | -               | -                 | 3,886.34                             | 3,886.34              |
| Add: Other comprehensive income   | -                     | 22.73                | -                  | -                     | -               | (2,320.86)        | (2,298.14)                           | (2,298.14)            |
| <b>Total comprehensive income</b> | -                     | <b>3,909.07</b>      | -                  | -                     | -               | <b>(2,320.86)</b> | <b>1,588.20</b>                      | <b>1,588.20</b>       |
| Less: Dividend Paid               | -                     | (1,410.01)           | -                  | -                     | -               | -                 | (1,410.01)                           | (1,410.01)            |
| <b>As at Decemeber 31, 2018</b>   | <b>1,363.15</b>       | <b>11,832.07</b>     | <b>69.09</b>       | <b>4,528.55</b>       | <b>1,477.00</b> | <b>6,748.45</b>   | <b>24,655.15</b>                     | <b>26,018.30</b>      |

5 Investment in a subsidiaries and a Joint venture

Details of Investment

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>-Investment in subsidiaries</b>                  |                       |                         |
| <i>unquoted , valued at cost</i>                    |                       |                         |
| Lumax DK Auto Industries Limited                    | 123.66                | 123.66                  |
| Lumax Mannoh Allied Technologies Private Limited    | 2.51                  | 2.51                    |
| Lumax Integrated Ventures Private Limited           | 81.89                 | 81.89                   |
| Lumax Management Services Private Limited           | 2,808.60              | 413.35                  |
| Lumax Cornaglia Auto Technologies Private Limited   | 590.71                | 590.71                  |
| Lumax Gill-Austem Auto Technologies Private Limited | 418.80                | 418.80                  |
| <b>- Investment in Joint ventures</b>               |                       |                         |
| <i>unquoted , valued at cost</i>                    |                       |                         |
| Lumax Ituran Telematic Private Limited              | 33.54                 | -                       |
| Lumax FAE   | 200.00                | -                       |
| <b>Total</b>  | <b>4,259.71</b>       | <b>1,630.92</b>         |

LUMAX AUTO TECHNOLOGIES LIMITED

Notes to financial statements for the Period ended Dec 31, 2018

6 Investments

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Investments</b>  |                       |                         |
| <i>Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*</i> | 8,847.30              | 11,474.14               |
| <i>Investment in equity instruments (Unquoted)</i>  | -                     | -                       |
|   | <b>8,847.30</b>       | <b>11,474.14</b>        |
| <b>Current</b>  | -                     | -                       |
| <b>Non- current</b>   | <b>8,847.30</b>       | <b>11,474.14</b>        |

7 Other financial assets

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Other financial assets</b>                             |                       |                         |
| <b>Non- current</b>                                       |                       |                         |
| <b>Security Deposits</b>                                  |                       |                         |
| - Considered good   | 286.57                | 173.41                  |
| - Doubtful  | -                     | 5.00                    |
|   | 286.57                | 178.41                  |
| Provision for bad & doubtful debts                        | (5.00)                | (5.00)                  |
|   | 281.57                | 173.41                  |
| Deposits with remaining maturity for more than 12 months* | 5.00                  | 5.00                    |
|   | <b>286.57</b>         | <b>178.41</b>           |
| <b>Current</b>  |                       |                         |
| Interest accrued but not due                              | 3.17                  | 10.01                   |
| Other recoverables  | 59.01                 | 49.32                   |
|   | <b>62.17</b>          | <b>59.33</b>            |
| <b>Total</b>  | <b>348.74</b>         | <b>237.74</b>           |
| <b>Current</b>  | <b>62.17</b>          | <b>59.33</b>            |
| <b>Non- Current</b>                                       | <b>286.57</b>         | <b>178.41</b>           |
|   | <b>348.74</b>         | <b>237.74</b>           |



**8 Other assets**  
(Unsecured, considered good, unless otherwise stated)

The details of other assets:

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| <b>Non- current</b>                              |                       |                         |
| Advances for property, plant and equipment       | 266.37                | 243.28                  |
| Income tax refund receivable                     | 145.32                | 140.24                  |
| Balances with statutory/government authorities * | 299.05                | 84.46                   |
| <b>Total (A)</b>                                 | <b>710.74</b>         | <b>467.98</b>           |
| <b>Current</b>                                   |                       |                         |
| Balance with statutory / government authorities  | 14.97                 | 463.23                  |
| Advance to suppliers                             | 422.38                | 367.24                  |
| Prepaid expenses                                 | 90.65                 | 34.02                   |
| Assets classified as held for sale               | -                     | -                       |
| Others advances                                  | 60.10                 | 40.85                   |
| <b>Total (B)</b>                                 | <b>588.10</b>         | <b>905.34</b>           |
| <b>Total (A+B)</b>                               | <b>1,298.84</b>       | <b>1,373.32</b>         |
| <b>Total current</b>                             | <b>588.10</b>         | <b>905.34</b>           |
| <b>Total non -current</b>                        | <b>710.74</b>         | <b>467.98</b>           |

\* Balance with government authorities includes the amount of subsidy claim receivable on the capital investments made in the state of Maharashtra.

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9 Inventories

a) Details of inventories:

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| Raw materials (at cost)  | 2,591.36              | 2,212.71                |
| Work-in-progress (at cost)   | 441.16                | 271.23                  |
| Finished goods (at lower of cost and net realisable value)             | 690.75                | 408.01                  |
| Traded goods   | 1,504.03              | 1,342.35                |
| Moulds   | 133.45                | 0.52                    |
| Stores and spares  | 106.73                | 73.77                   |
| <b>Total inventories at the lower of cost and net realisable value</b> | <b>5,467.48</b>       | <b>4,308.59</b>         |

b) Stores and spares are capitalised if they meet the definition of property, plant and equipment as per Ind AS 16, otherwise they are classified as inventory.

As per Ind AS 16, Property, plant and equipment are tangible items that:

- i) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- ii) Are expected to be used during more than one period

Management has assessed that the useful life of stores and spares is less than one year, hence considered as part of inventories.

10 Loans

|                     | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---------------------|-----------------------|-------------------------|
| <b>Loans</b>        |                       |                         |
| Loan to Employees   | 48.31                 | 44.45                   |
|                     | <b>48.31</b>          | <b>44.45</b>            |
| <b>Current</b>      | 48.31                 | 44.45                   |
| <b>Non- current</b> | -                     | -                       |

11 Trade receivables

a) Details of trade receivables:

|                                | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--------------------------------|-----------------------|-------------------------|
| Trade receivables              | 17,596.34             | 16,651.96               |
| <b>Total Trade receivables</b> | <b>17,596.34</b>      | <b>16,651.96</b>        |

**12 Cash and cash equivalents**

|   | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|---|-------------------------------|---------------------------------|
| Balances with banks:                                    |                               |                                 |
| - On current accounts                                   | 175.96                        | 155.40                          |
| - Deposits with original maturity of less than 3 months | 0.63                          | 604.63                          |
| - on cash credit accounts                               | 4.63                          | 53.51                           |
| Cash on hand  | 3.97                          | 4.21                            |
| <b>Total</b>  | <b>185.20</b>                 | <b>817.75</b>                   |

**13 Other bank balances**

|   | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|---|-------------------------------|---------------------------------|
| <b>Other bank balances</b>  |                               |                                 |
| - Deposits having remaining maturity of more than 12 months   | 5.00                          | 5.00                            |
| - Deposits with remaining maturity more than 3 months but less than 12 months   | -                             | -                               |
| - on unpaid dividend account *  | 13.15                         | 12.15                           |
| <b>Total</b>  | <b>18.15</b>                  | <b>17.15</b>                    |
| Less: Deposits having remaining maturity of more than 12 months disclosed under other financial assets (refer note 7) | (5.00)                        | (5.00)                          |
| <b>Total</b>  | <b>13.15</b>                  | <b>12.15</b>                    |

\* The Company can utilise the balance only towards settlement of unclaimed dividend.

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

**14 Current Tax Liabilities/ (assets) - net**

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Current tax liabilities / (assets) (net)</b> | <b>240.87</b>         | <b>73.11</b>            |

**15 Share Capital**

**a) Details of share capital is as follows:**

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2017 |
|---|-----------------------|-------------------------|
| <b>Authorised share capital</b><br>750 lacs (March 31, 2018: 150 lacs) equity shares of Rs. 2 each<br>previous year Rs. 10 each                 | 1,500.00              | 1,500.00                |
|   | <b>1,500.00</b>       | <b>1,500.00</b>         |
| <b>Issued, subscribed and fully paid up capital</b><br>681.6 lacs (March 31, 2018: 136.32 lacs) equity shares of Rs. 2<br>each Previous 10 each | 1,363.15              | 1,363.15                |
|   | <b>1,363.15</b>       | <b>1,363.15</b>         |

**b. Reconciliation of authorised share capital**

|                        | Equity Shares              |                 |
|------------------------|----------------------------|-----------------|
|                        | No. of shares<br>(in lacs) | Amount          |
| At March 31, 2017      | 150.00                     | 1,500.00        |
| At March 31, 2018      | 150.00                     | 1,500.00        |
| <b>At Dec 31, 2018</b> | <b>150.00</b>              | <b>1,500.00</b> |

**c. Reconciliation of issued, subscribed and paid up share capital**

|   | Equity Shares              |                 |
|---|----------------------------|-----------------|
|   | No. of shares<br>(in lacs) | Amount          |
| <b>Equity shares of Rs. 10 each issued, subscribed and fully paid</b> |                            |                 |
| At March 31, 2017   | 136.32                     | 1,363.15        |
| At March 31, 2018   | 136.32                     | 1,363.15        |
| <b>At Dec 31, 2018</b>  | <b>681.60</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 INR 10 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.

e) Details of shareholders holding more than 5% shares in the company

| Name of the shareholder  | As at December 31, 2018 |                                | As at March 31, 2018    |                                |
|--|-------------------------|--------------------------------|-------------------------|--------------------------------|
|  | No. of shares (in lacs) | % holding in the equity shares | No. of shares (in lacs) | % holding in the equity shares |
| Equity shares of INR 10 each fully paid                                  |                         |                                |                         |                                |
| Lumax Finance Private Limited, an enterprise with significant influence  | 24.22                   | 3.55%                          | 24.22                   | 3.55%                          |
| Dhanesh Kumar Jain, Director   | 16.55                   | 2.43%                          | 16.55                   | 2.43%                          |
| Albula Investment Fund Limited, an enterprise with significant influence | 12.32                   | 1.81%                          | 12.32                   | 1.81%                          |
| D. K. Jain & Sons ( HUF), an enterprise with significant influence       | 11.81                   | 1.73%                          | 11.81                   | 1.73%                          |
| Deepak Jain, Director  | 9.15                    | 1.34%                          | 9.15                    | 1.34%                          |
| Anmol Jain, Managing, Director   | 8.62                    | 1.27%                          | 8.62                    | 1.27%                          |

16 Other equity

|  | Retained earnings | Capital Reserve | Securities premium | General reserve | FVTOCI reserve  | Total             |
|--|-------------------|-----------------|--------------------|-----------------|-----------------|-------------------|
| <b>At April 1, 2017</b>                              | 7,021.62          | 69.09           | 4,528.55           | 1,477.00        | 5,039.48        | <b>18,135.74</b>  |
| Profit for the year                                  | 2,921.77          | -               | -                  | -               | -               | <b>2,921.77</b>   |
| Other comprehensive income for the year (net of tax) | 30.30             | -               | -                  | -               | 4,029.83        | <b>4,060.13</b>   |
| Less : Dividend Paid                                 | (640.68)          | -               | -                  | -               | -               | <b>(640.68)</b>   |
| <b>At March 31, 2018</b>                             | <b>9,333.01</b>   | <b>69.09</b>    | <b>4,528.55</b>    | <b>1,477.00</b> | <b>9,069.31</b> | <b>24,476.96</b>  |
| Profit for the year                                  | 3,886.34          | -               | -                  | -               | -               | <b>3,886.34</b>   |
| Other comprehensive income for the year (net of tax) | 22.73             | -               | -                  | -               | (2,320.86)      | <b>(2,298.14)</b> |
| Less : Dividend Paid (Refer Note 42)                 | (1,410.01)        | -               | -                  | -               | -               | <b>(1,410.01)</b> |
| <b>At December 31, 2018</b>                          | <b>11,832.06</b>  | <b>69.09</b>    | <b>4,528.55</b>    | <b>1,477.00</b> | <b>6,748.45</b> | <b>24,655.15</b>  |

17 Borrowings

a) Details of long term borrowings:

|  | Effective interest rate | Maturity  | As at Dec 31, 2018 | As at March 31, 2018 |
|--|-------------------------|-----------|--------------------|----------------------|
| <b>Long term maturities of finance lease obligation</b>                            |                         |           |                    |                      |
| Vehicle loan from banks (secured)**  | 8 % -10%                | 2018-2021 | 84.87              | 96.47                |
| <b>Other loans</b>   |                         |           |                    |                      |
| Deferred sales tax loan (unsecured)***   | -                       | 2019      | -                  | 3.75                 |
| Less: current maturity disclosed under other financial liabilities (refer note 20) |                         |           |                    |                      |
| - term loan  |                         | 2018      | -                  | -                    |
| - vehicle loan   |                         | 2018-2019 | (50.28)            | (60.40)              |
| - deferred sales tax loan  |                         | 2019      | -                  | (3.75)               |
| <b>Total borrowings</b>  |                         |           | <b>34.58</b>       | <b>36.07</b>         |
| <b>Total current</b>   |                         |           | <b>50.28</b>       | <b>64.15</b>         |
| <b>Total non -current</b>  |                         |           | <b>34.58</b>       | <b>36.07</b>         |
| Aggregate secured loans  |                         |           | <b>84.87</b>       | <b>96.47</b>         |
| Aggregate unsecured loans  |                         |           | -                  | <b>3.75</b>          |

b) Details of short term borrowings:

|  | Effective interest rate | Maturity | As at Dec 31, 2018 | As at March 31, 2018 |
|--|-------------------------|----------|--------------------|----------------------|
| <b>Loan repayable On Demand (from financial institution)</b> |                         |          |                    |                      |
| Working capital loan repayable on demand*                    | 8.50%-9.50%             | 2018     | 4,500.00           | -                    |
| Cash Credit Account  |                         |          | 727.20             | -                    |
| <b>Total</b>   |                         |          | <b>5,227.20</b>    | <b>-</b>             |

\* Working capital loan from financial institution is repayable in 90 days from respective drawdown and carries interest ranging between 8.50%-9.50% 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.

18 Income tax

(a) The major components of income tax expense for the years ended December 31, 2018 and March 31, 2017 are:

Statement of profit and loss:

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| <b>Current income tax:</b>  |                       |                         |
| Current income tax charge   | 1,308.52              | 1,132.22                |
| Adjustments in respect of current income tax of previous year         | 23.65                 | (1.08)                  |
| <b>Deferred tax :</b>   |                       |                         |
| Relating to origination and reversal of temporary differences         | 63.67                 | 3.10                    |
| <b>Income tax expense reported in the statement of profit or loss</b> | <b>1,395.84</b>       | <b>1,134.24</b>         |

(b) OCI section

Deferred tax related to items recognised in Other Comprehensive Income during the year:

|   | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|---|-----------------------|-------------------------|
| Net loss/ (gain) on remeasurements of defined benefit plans | (12.21)               | (16.28)                 |
| Gain on financial assets                                    | 305.97                | (202.72)                |
| <b>Income tax charged to Other Comprehensive Income</b>     | <b>293.76</b>         | <b>(219.00)</b>         |

(c)

| Deferred tax:                | Balance sheet         |                         |
|------------------------------|-----------------------|-------------------------|
|                              | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
| Deferred tax liability (Net) | 818.77                | 1,048.85                |

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated*

**19 Trade payables**

|                          | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--------------------------|-------------------------------|---------------------------------|
| <b>A. Trade payables</b> |                               |                                 |
| - Trade payables         | 15,696.14                     | 17,750.09                       |
| <b>B. Other payables</b> |                               |                                 |
| - Other payables         | 1,807.16                      | 1,067.82                        |
| <b>Total</b>             | <b>17,503.31</b>              | <b>18,817.91</b>                |

Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

**20 Other financial liabilities**

|  | <b>As at<br/>Dec 31, 2018</b> | <b>As at<br/>March 31, 2018</b> |
|--|-------------------------------|---------------------------------|
| <b>Other financial liabilities at amortised cost</b> |                               |                                 |
| <b>Current</b>                                       |                               |                                 |
| Current maturity of long term loan                   | -                             | 3.75                            |
| Current maturity of vehicle loan                     | 50.28                         | 60.40                           |
| Amount payable for property, plant and equipment     | 186.23                        | 795.03                          |
| Accrued salaries                                     | 709.57                        | 1,170.07                        |
| Unsecured deposits from customers                    | 415.68                        | 427.09                          |
| Unpaid dividends *                                   | 13.15                         | 12.15                           |
| <b>Total</b>   | <b>1,374.91</b>               | <b>2,468.49</b>                 |
| <b>Total current</b>                                 | <b>1,374.91</b>               | <b>2,468.49</b>                 |
| <b>Total non- current</b>                            | <b>-</b>                      | <b>-</b>                        |



21 Provisions

|  | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--|-----------------------|-------------------------|
| <b>Current</b>                         |                       |                         |
| <b>Provision for employee benefits</b> |                       |                         |
| Provision for gratuity                 | 279.71                | 232.90                  |
| Provision for compensated absences     | 186.02                | 116.37                  |
| <b>Total</b>                           | <b>465.73</b>         | <b>349.27</b>           |
| <b>Current</b>                         | <b>465.73</b>         | <b>349.27</b>           |
| <b>Non- Current</b>                    | -                     | -                       |

22 Other liabilities

Details of other liabilities

|                          | As at<br>Dec 31, 2018 | As at<br>March 31, 2018 |
|--------------------------|-----------------------|-------------------------|
| <b>Current</b>           |                       |                         |
| Statutory dues           | 258.10                | 724.93                  |
| Other liabilities (net)* | 1,545.71              | 1,467.99                |
| <b>Total</b>             | <b>1,803.81</b>       | <b>2,192.92</b>         |
| <b>Current</b>           | 1,803.81              | 2,192.92                |
| <b>Non-current</b>       | -                     | -                       |

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23 Revenue from operations

a) The details of revenue from operations is as follows:

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>Sale of products</b>                  |                                      |                                      |
| Finished goods                           | 47,605.28                            | 43,072.84                            |
| Traded goods                             | 14,731.19                            | 17,030.97                            |
| <b>Total sale of products (A)</b>        | <b>62,336.47</b>                     | <b>60,103.81</b>                     |
| <b>Other operating revenue:</b>          |                                      |                                      |
| Scrap sale                               | 52.64                                | 28.46                                |
| Mould and tool sale                      | -                                    | 618.50                               |
| <b>Total other operating revenue (B)</b> | <b>52.64</b>                         | <b>646.96</b>                        |
| <b>Revenue from operations (A+B)</b>     | <b>62,389.12</b>                     | <b>60,750.77</b>                     |

24 Other income

|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| <b>Other non-operating income</b>           |                                      |                                      |
| Interest income                             |                                      |                                      |
| - On fixed deposits                         | 13.38                                | 13.74                                |
| - Others                                    | 2.60                                 | 6.78                                 |
| Discount received                           | 61.77                                | 68.42                                |
| Liabilities no longer required written back | 32.14                                | 92.26                                |
| Miscellaneous income                        | 571.10                               | 226.85                               |
| Rental Income                               | 187.33                               | 216.53                               |
| Dividend Income                             | 1,255.96                             | 874.89                               |
| <b>Total</b>                                | <b>2,124.28</b>                      | <b>1,499.47</b>                      |

**25 Cost of raw materials and components consumed**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year               | 2,212.71                             | 1,053.58                             |
| Add: Purchases                                       | 34,345.80                            | 30,017.25                            |
| Less: Inventory at the end of the year               | (2,591.36)                           | (2,212.71)                           |
| <b>Cost of raw materials and components consumed</b> | <b>33,967.16</b>                     | <b>28,858.12</b>                     |

**26 Cost of moulds consumed**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year | 0.52                                 | 26.15                                |
| Add: Purchases made during the year    | 132.92                               | 514.48                               |
| Less: Inventory at the end of the year | (133.45)                             | (0.52)                               |
| <b>Cost of moulds consumed</b>         | <b>-</b>                             | <b>540.11</b>                        |

**27 (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| <b>Opening stock</b>   |                                      |                                      |
| - Finished goods   | 408.01                               | 275.12                               |
| -Traded Goods  | 1,342.35                             | 1,061.08                             |
| - Work-in progress   | 271.23                               | 165.96                               |
| <b>Total (A)</b>   | <b>2,021.59</b>                      | <b>1,502.16</b>                      |
| <b>Closing stock</b>   |                                      |                                      |
| - Finished goods   | 690.75                               | 408.01                               |
| -Traded Goods  | 1,504.03                             | 1,342.35                             |
| - Work-in progress   | 441.16                               | 271.23                               |
| <b>Total (B)</b>   | <b>2,635.94</b>                      | <b>2,021.59</b>                      |
| <b>Changes in inventories of finished goods</b>  |                                      |                                      |
| - Finished goods   | (282.74)                             | (132.89)                             |
| -Traded Goods  | (161.68)                             | (281.27)                             |
| - Work-in progress   | (169.93)                             | (105.27)                             |
| <b>(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)</b> | <b>(614.35)</b>                      | <b>(519.43)</b>                      |

**LUMAX AUTO TECHNOLOGIES LIMITED**

Notes to financial statements for the Period ended Dec 31, 2018

*Amount in INR lacs, unless otherwise stated*

**28 Employee benefits expense**

|  | <b>For the Period ended<br/>Dec 31, 2018</b> | <b>For the year ended<br/>March 31, 2018</b> |
|--|--|--|
| Salaries, wages and bonus                  | 5,413.78                                     | 5,243.53                                     |
| Contributions to provident and other funds | 177.73                                       | 210.35                                       |
| Gratuity expense                           | 91.33  | 75.24  |
| Staff welfare expense                      | 110.05                                       | 131.17                                       |
| <b>Total</b>                               | <b>5,792.90</b>                              | <b>5,660.29</b>                              |

**29 Finance costs**

|                             | <b>For the Period ended<br/>Dec 31, 2018</b> | <b>For the year ended<br/>March 31, 2018</b> |
|-----------------------------|--|--|
| Interest on term loans      | -  | 50.24  |
| Interest on working capital | 149.93                                       | 95.44  |
| Interest paid to others     | 160.66                                       | 123.77                                       |
| <b>Total</b>                | <b>310.58</b>                                | <b>269.45</b>                                |

**30 Depreciation and amortization expense**

|  | <b>For the Period ended<br/>Dec 31, 2018</b> | <b>For the year ended<br/>March 31, 2018</b> |
|--|--|--|
| Depreciation of tangible assets (note 3)   | 1,040.62                                     | 1,296.40                                     |
| Amortization of intangible assets (note 4) | 33.07  | 36.23  |
| <b>Total</b>                               | <b>1,073.69</b>                              | <b>1,332.63</b>                              |

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**LUMAX AUTO TECHNOLOGIES LIMITED**
**Notes to financial statements for the Period ended Dec 31, 2018**
*Amount in INR lacs, unless otherwise stated*
**31 Other expenses**

|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|---|--------------------------------------|--------------------------------------|
| Freight and forwarding charges                      | 1,104.40                             | 1,292.51                             |
| Job-work charges                                    | 1,737.82                             | 1,539.64                             |
| Power and fuel                                      | 814.57                               | 817.49                               |
| Consumables   | 674.24                               | 462.21                               |
| Travelling and conveyance                           | 397.95                               | 389.13                               |
| Packing material consumed                           | 346.75                               | 408.45                               |
| Rent  | 326.19                               | 319.51                               |
| Security charges                                    | 131.09                               | 146.04                               |
| Legal and professional fees                         | 160.17                               | 223.78                               |
| Repairs and maintenance                             |                                      |                                      |
| - Plant and machinery                               | 412.59                               | 594.51                               |
| - Building  | 32.53                                | 72.13                                |
| - Others  | 55.55                                | 65.00                                |
| Communication cost                                  | 53.67                                | 61.90                                |
| Rates and taxes                                     | 54.46                                | 64.93                                |
| Payment to auditors (refer detail below)*           | 46.04                                | 46.04                                |
| Insurance   | 36.09                                | 42.62                                |
| CSR expenditure (refer details below)**             | 49.50                                | 40.66                                |
| Vehicle expenses                                    | 80.02                                | 69.72                                |
| Printing and stationery                             | 33.31                                | 39.51                                |
| Advertisement and sales promotion                   | 10.05                                | 31.46                                |
| Water charges                                       | 23.48                                | 22.27                                |
| Commission to selling agent                         | -                                    | -                                    |
| Director's sitting fees                             | 9.24                                 | 9.00                                 |
| Management fees                                     | 1,028.86                             | 788.46                               |
| Increase of excise duty on inventory                | -                                    | (21.09)                              |
| Loss on sales of Property plant , equipment's (net) | 1.74                                 | 14.92                                |
| Exchange difference (net)                           | 173.13                               | 16.97                                |
| Provision for doubtful debts and advances           | -                                    | 30.51                                |
| Miscellaneous expenses                              | 315.86                               | 676.31                               |
| <b>Total</b>  | <b>8,109.29</b>                      | <b>8,026.56</b>                      |

**32 Exceptional item**

|                          | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--------------------------|--------------------------------------|--------------------------------------|
| Employee separation cost | -                                    | 227.50                               |
| <b>Total</b>             | <b>-</b>                             | <b>227.50</b>                        |

**33 Components of Other Comprehensive Income (OCI)**

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

| Particulars   | Retained earnings                    |                                      |
|---|--------------------------------------|--------------------------------------|
|   | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
| Re-measurement gains/ (losses) on defined benefit plans | 34.94                                | 46.58                                |
| Deferred tax thereon                                    | (12.21)                              | (16.28)                              |
| Gain on FVTOCI equity securities                        | (2,626.84)                           | 4,232.55                             |
| Deferred tax thereon                                    | 305.97                               | (202.72)                             |
|   | <b>(2,298.14)</b>                    | <b>4,060.13</b>                      |

**34 Earnings per share (EPS)**

|  | For the Period ended<br>Dec 31, 2018 | For the year ended<br>March 31, 2018 |
|--|--------------------------------------|--------------------------------------|
| Profit attributable to the equity holders of the Company                     | 3,886.34                             | 2,921.77                             |
| Weighted average number of equity shares for basic and diluted EPS (in lacs) | 681.58                               | 681.58                               |
| Basic and diluted earnings per share (face value Rs. 2 each share)           | 5.70                                 | 4.29                                 |

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LUMAX AUTO TECHNOLOGIES LIMITED  
Cash flow statement for year ended December 31, 2018

*Amount in INR lacs, unless otherwise stated*

|  | Year Ended<br>December 31, 2018 | Year Ended<br>March 31, 2018 |
|--|---------------------------------|------------------------------|
| Net cash generated from operating activities (A)                 | 9,462.85                        | 5,122.56                     |
| Net cash used in investing activities (B)                        | (4,783.33)                      | (1,359.30)                   |
| Net cash used in financing activities (C )                       | (5,312.07)                      | (4,206.75)                   |
| Net (decrease)/Increase in cash and cash equivalents (A + B + C) | (632.55)                        | (443.49)                     |
| Cash and cash equivalents at the beginning of the year           | 817.75                          | 1,261.24                     |
| <b>Cash and cash equivalents at the end of the year</b>          | <b>185.20</b>                   | <b>817.75</b>                |

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## **Lumax Auto Technologies Limited**

### **Notes forming part of the Financial Information**

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#### **1. Corporate Information**

Lumax Auto Technologies Limited (the 'Company') is a company domiciled in India, with its registered office situated Regd. Office : Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune-411026. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India (NSE). The Company is primarily involved in manufacturing of Automobile Components and Parts thereof.

#### **2. Basis of preparation**

The condensed Balance sheet as at December 31, 2018, the condensed Statement of Profit and Loss, the condensed Cash flow statement, the condensed Statement of Changes in Equity for the 9 months period ended December 31, 2018 and other explanatory notes ("financial information") represents the standalone financial information of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India, including the Indian accounting standard (Ind AS) prescribed under section 133 of the act.

The Company management had previously issued its audited financial statements for the year ended March 31, 2018 (Annual financial statements') on May 28, 2018 that were prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013, (the 'Act'), Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended & other relevant provisions of the Act ('financial statements').

Information as at December 31, 2018 and for the period then ended, is proposed to be sent to the Hon' ble National Company Law Tribunal (NCLT), creditors, shareholders and other statutory authorities, in accordance with the requirements of the Companies Act 2013.

The financial results of the Company for the nine months period ended December 31, 2018 were reviewed by statutory auditors of the company and an unqualified Limited Review Report was given thereupon.

This compiled informations are not a complete set of financial statements prepared as per the requirements of the companies Act 2013 or the requirements of the Ind AS 34"Interim Financial Reporting.

#### **3. Significant accounting policies, accounting estimates, assumptions and judgements**

The accounting policies, accounting estimates, assumptions and judgements adopted in the compilation of these financial information are consistent with those followed in the preparation of the Company's latest Annual financial statements.



# LUMAX AUTO TECHNOLOGIES LIMITED

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

**Tel No.:** 011-49857832, **CIN:** L31909DL1981PLC349793

**E-Mail:** shares@lumaxmail.com, **Website:** www.lumaxautotech.com

## ATTENDANCE SLIP

### **MEETING OF THE UNSECURED CREDITORS ON 5<sup>th</sup> July, 2019, AT 3:00 P.M.**

I/We hereby record my/our presence at the Meeting of the Unsecured Creditors of Lumax Auto Technologies Limited, convened pursuant to the order dated May 14, 2019 and May 21, 2019 of the National Company Law Tribunal, Principal Bench at New Delhi, at Air Force Auditorium, Subroto Park, New Delhi- 110010, India on 5th July, 2019 at 3:00 P.M.

Name of the Unsecured Creditor \_\_\_\_\_ (In Block Letters)

Address of the Unsecured Creditor \_\_\_\_\_ (In Block Letters)

Name & Address of the Proxy or Company Representative \_\_\_\_\_ (In Block Letters)

Signature of the Unsecured Creditor or Proxy or Company Representative

#### **Note:**

- 1. Unsecured Creditors/Proxies/Company Representative are requested to bring the duly filled in Attendance Slip and hand it over at the entrance of the meeting hall.**
- 2. If you intend to appoint a proxy, please deposit duly filled in Proxy Form at the Registered Office of the Company at least 48 hours before the meeting.**

# LUMAX AUTO TECHNOLOGIES LIMITED

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

**Tel No. :** 011-49857832 **CIN:** L31909DL1981PLC349793

**E-Mail:** shares@lumaxmail.com **Website:** www.lumaxautotech.com

## PROXY FORM

I/We, the undersigned Unsecured Creditors of Lumax Auto Technologies Limited, being the Transferee Company above named do hereby appoint :

|           |                 |                    |
|-----------|-----------------|--------------------|
| <b>1.</b> | <b>Name :</b>   | <b>Email Id. :</b> |
|           | <b>Address:</b> | <b>Signature</b>   |
| <b>2.</b> | <b>Name :</b>   | <b>Email Id. :</b> |
|           | <b>Address:</b> | <b>Signature</b>   |
| <b>3.</b> | <b>Name :</b>   | <b>Email Id. :</b> |
|           | <b>Address:</b> | <b>Signature</b>   |

as my/ our proxy, to attend and vote through ballot paper for me / us and on my / our behalf at the meeting of the Unsecured Creditors of the Transferee Company to be held at Air Force Auditorium, Subroto Park, New Delhi- 110010 on Friday, the 5th July, 2019 at 3:00 p.m., by recording my / our assent or dissent to the said Resolution, by placing the tick (✓) mark at the appropriate box below:

| Sr.No. | Resolutions  | For | Against |
|--------|--|-----|---------|
| 1      | Approval of the Scheme of Amalgamation ("Scheme") of Lumax DKAuto Industries Limited ("Transferor Company") with Lumax Auto Technologies Limited ("Transferee Company") and their respective Shareholders and Creditors. |     |         |

*\*Strikeout what is not necessary.*

Signed this ..... day of 2019.

Signature of Unsecured Creditor .....

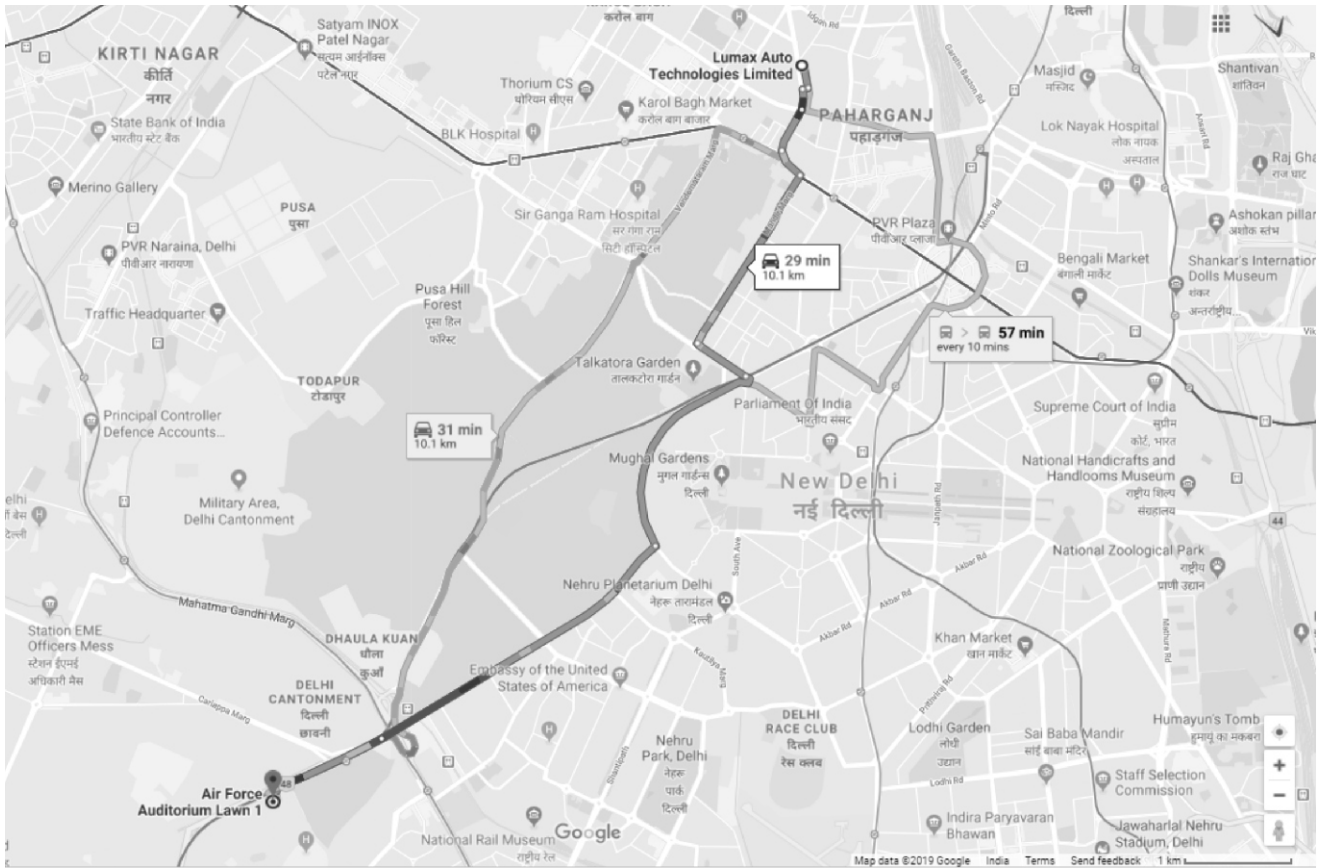


Signature of Proxy holder(s) .....

**Note:**

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
2. For the resolutions, explanatory statements and notes please refer to the notice of the Meeting.
3. **\*\*It is optional to put ("✓") in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he /she thinks appropriate.**

# Route Map of NCLT Convened meeting of the Unsecured Creditors



**Venue:** Air Force Auditorium, Subroto Park, New Delhi- 110010