



Independent Auditor's Report

To the Members of Lumax Fae Technologies Private Limited

Report on the Standalone Ind AS Financial Statements

1. Opinion

We have audited the accompanying Standalone Ind AS financial statements of **LUMAX FAE TECHNOLOGIES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its Loss, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with standards on auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in Auditor's Responsibilities for the audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





3. Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. Those matters were addressed in context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

4. Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

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

6. Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedure that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management use of the going concern basis of accounting and based on the audit evidence obtain whether a material uncertainty exist related to events or condition that may cause significant doubt of the company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or if such disclosure are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of





our auditor's report. However future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation structure and content of the standalone financial statements including the disclosures and whether the standalone financial statements represent the underline transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding among other matters the planned scope and timing of the audit and significant findings that we identify during our audit.

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

7. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of section 143(11) of the Act and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

A) As required by Section 143 (3) of the Act, based on our audit we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the aforesaid Ind AS financial statements.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder;
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) Since turnover of the company as per latest audited financial statement is less than Rs. Fifty Crores and the aggregate borrowings from Banks or Financial institutions or anybody corporate is less than Rs. Twenty-Five Crores during the year under report, reporting on the adequacy of the internal financial





**R JAIN & SANJAY ASSOCIATES
CHARTERED ACCOUNTANTS**

H No. 1140, Sector 15, Part 2,
Gurugram, Haryana. 122001
PH.: Off. 0124-4281140, 9810185345

controls over financial reporting of the Company and the operating effectiveness of such controls is not required vide notification dated 13th June 2017 issued by Ministry of Corporate affairs, Government of India.

B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

1. The company does not have any pending litigation which could impact its financial position in its Ind AS financial statements
2. The Company did not have any Long-term contracts including derivative contracts for which there were any material foreseeable losses.
3. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
4. According to the information & explanations given by the management, we report that there was no managerial remuneration paid during the year under report.

For R JAIN & SANJAY ASSOCIATES,
FIRM REGISTRATION NO.012377N
CHARTERED ACCOUNTANTS



R. Jain
(CA R. K. JAIN)
PARTNER
MEMBERSHIP NO. 009981

UDIN No: 20009981AAAAEL6317
Place: Gurugram
Dated: 15.06.2020



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure A referred to in paragraph 7(I) under 'Report on other legal and regulatory requirements' of our report of even date to the members of the company on the Ind AS financial statements for the year ended 31st March, 2020

RE: LUMAX FAE TECHNOLOGIES PRIVATE LIMITED ('THE COMPANY')

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- ii. The company has no inventory and therefore requirements of item (ii) of paragraph 4 of the Order with regard to verification of inventory are not applicable to the company.
- iii. According to the information and explanations give to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of The Companies Act, 2013. Accordingly, the provisions of clauses (3)(iii)(a), (b) and (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no investments, loans, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Govt. has not prescribed the maintenance of cost records U/s 148(1) of The Companies Act, 2013 for any of the products dealt by the company.
- vii. (a) The company is regular in depositing with appropriate authorities' undisputed statutory dues including provident fund, income-tax, Gst and others material statutory dues applicable to it. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.
(b) According to the records of the Company, the dues outstanding of income tax, GST, duty of customs and cess on account of any dispute, are Nil.





- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank, Govt. or debenture holders during the year.
- ix. In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised any money by way of initial public offer or further public offer/ debt instruments during the current year.
- x. Based upon the audit procedures performed for the purpose of reporting a true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the company or material fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. The Company has not paid any managerial remuneration and therefore clause xi of Companies (Auditor's Report) Order, 2016 is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connect with him as referred to in section 192 of the Companies Act, 2013.
- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For R JAIN & SANJAY ASSOCIATES,
FIRM REGISTRATION NO.012377N
CHARTERED ACCOUNTANTS



R. K. Jain
(CA R. K. JAIN)
PARTNER
MEMBERSHIP NO. 009981

Place: Gurugram
Dated: 15.06.2020

Lumax FAE Technologies Private Limited
Balance Sheet as at March 31, 2020

Amount in INR Lakhs, unless otherwise stated

	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-current assets			
Property, plant and equipment	3 (a)	-	-
Capital work in progress	3 (b)	1,465.92	19.07
Income tax assets(net)	8	0.40	0.13
Financial assets			
- Loans	4	20.00	20.00
Other non-current assets	7	79.84	378.07
Total non current assets	(A)	1,566.16	417.26
II. Current assets			
Financial assets			
- Loans	4	1.96	-
- Cash and cash equivalents	5	54.46	170.04
- Others financial assets	6	0.02	0.09
Other current assets	7	245.13	3.30
Total current assets	(B)	301.57	173.43
Total Assets	(A+B)	1,867.73	590.69
EQUITY AND LIABILITIES			
I. Equity			
Equity share capital	9	392.79	392.79
Other equity	10	(15.55)	(8.14)
Total equity	(A)	377.24	384.65
Liabilities			
II. Non-current liabilities			
Financial liabilities			
-Borrowings	11	525.00	200.00
Total Non Current Liabilities	(B)	525.00	200.00
III. Current liabilities			
Financial liabilities			
- Borrowings	11	105.32	-
- Trade payables	12		
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		683.44	2.83
- Other financial liabilities	13	176.19	1.02
Other current liabilities	14	0.54	2.19
Total Current Liabilities	(C)	965.49	6.04
Total Liabilities	(B+C)	1,490.49	206.04
Total equity and liabilities	(A+B+C)	1,867.73	590.69

The accompanying notes form an integral part of these financial statements

As per our report of even date

R Jain & Sanjay Associates

Chartered Accountants

Firm Registration No.: 012377N

CA R. K. Jain

Partner

Membership No. 009981

Place: Gurugram

Date: 15/06/2020

For and on behalf of the Board of Directors of
Lumax FAE Technologies Private Limited



Deepak Jain

Director

00004972



Anmol Jain

Director

00004993

Lumax FAE Technologies Private Limited
Statement of Profit and loss for the year ended March 31, 2020

Amount in INR Lakhs, unless otherwise stated

	Notes	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
I Revenue from operations	15	-	-
II Other income	16	4.20	1.25
III Total income		4.20	1.25
IV Expenses			
Employee benefits expense	17	4.81	0.87
Finance costs	18	0.00	0.00
Other expenses	19	6.79	8.63
V Total expenses		11.60	9.30
VI Profit before exceptional items and tax (III-V)		(7.40)	(8.04)
VII Tax expense:			
Current tax		-	-
Total tax expense		-	-
VIII Profit for the year (VI-VII)		(7.40)	(8.04)
IX Other comprehensive income			
Other comprehensive income not to be reclassified to statement of profit or loss in subsequent period			
Re-measurement gains/ (losses) on defined benefit plans	20	-	-
Income tax effect	20	-	-
X Other comprehensive income for the year, net of tax		-	-
XI Total comprehensive income of the year, net of tax		(7.40)	(8.04)
XII Earnings per share (In Rs.) :			
1) Basic	21	(0.19)	(0.85)
2) Diluted		(0.19)	(0.85)

The accompanying notes form an integral part of these financial statements

As per our report of even date

R Jain & Sanjay Associates

Chartered Accountants

Firm Registration No.: 012377N

CA R. S. Jain

Partner

Membership No. 009981

Place : Gurugram

Date : 15/06/2020

For and on behalf of the Board of Directors of
Lumax FAE Technologies Private Limited

Deepak Jain

Director

00004972

Anmol Jain

Director

00004993

Lumax FAE Technologies Private Limited
Cash flow statement for year ended March 31, 2020

Amount in INR Lakhs, unless otherwise stated

	Year Ended March 31, 2020	Year Ended March 31, 2019
Cash Flow from Operating Activities		
Profit before tax from continuing operations	(7.40)	(8.04)
Adjustment to reconcile profit before tax to net cash flows		
Interest income	3.99	1.25
Operating profit before working capital changes	(3.41)	(6.79)
Movements in working capital :		
Increase in financial assets	(1.96)	(20.00)
Increase in other assets	56.39	(381.58)
(Decrease)/Increase in trade payable and other payable	680.60	-
Increase in current liabilities, provisions, financial liability	277.92	5.95
Cash generated from operations	1,009.55	(402.42)
Direct taxes paid	(0.27)	-
Net cash generated from operating activities (A)	1,009.27	(402.42)
Cash flows from investing activities		
Purchase of fixed assets (including capital in progress and capital advances)	(1,446.85)	(19.07)
Interest received	(3.92)	(1.25)
Net cash used in investing activities (B)	(1,450.77)	(20.32)
Cash flows from financing activities		
Proceeds/ (Repayment) from long term borrowings (net)	325.00	200.00
Interest paid	0.92	(0.00)
Issue of share capital	-	391.79
Net cash generating/(used in) from financing activities (C)	325.92	591.79
Net Increase in cash and cash equivalents (A + B + C)	(115.57)	169.05
Cash and cash equivalents at the beginning of the year	170.04	0.99
Cash and cash equivalents at the end of the year	54.46	170.04
Components of cash and cash equivalents		
Cash on hand	0.17	-
Balance with banks		
- On current accounts	10.29	20.04
- Deposits with original maturity of less than three months	44.00	150.00
Total cash and cash equivalents	54.46	170.04

The accompanying notes form an integral part of these financial statements

As per our report of even date
R Jain & Sanjay Associates

Chartered Accountants
Firm Registration No.: 012377N

CA R. K. Jain
Partner
Membership No. 009981

Place : Gurugram
Date : 15/06/2020

For and on behalf of the Board of Directors of
Lumax FAE Technologies Private Limited


Deepak Jain
Director
00004972


Anmol Jain
Director
00004993

Lumax FAE Technologies Private Limited
Statement of Changes in equity for the year ended March 31, 2020

Amount in INR Lakhs, unless otherwise stated

	Share capital (1)	Other Equity					Total reserves and surplus (2)	Total equity (1+2)
		Retained earnings	Capital Reserve	Securities premium	General reserve	FVTOCI reserve		
As at April 01, 2018	1.00	(0.10)	-	-	-	-	(0.10)	0.90
Transfer to General reserve		-					-	-
Add: Profit for the year	391.79	(8.04)					(8.04)	383.75
Add: Other comprehensive income		-					-	-
Total comprehensive income	392.79	(8.14)					(8.14)	384.65
Less: Dividend Paid		-					-	-
Less: Dividend Distribution Tax		-					-	-
Add: Transfers		-					-	-
As at March 31, 2019	392.79	(8.14)					(8.14)	384.65
Add: Profit for the year		(7.40)					(7.40)	(7.40)
Add: Other comprehensive income		-					-	-
Transfer to General reserve		-					-	-
Add: Transfers		-					-	-
Total comprehensive Income	-	(7.40)					(7.40)	(7.40)
Less: Dividend Paid		-					-	-
Less: Dividend Distribution Tax		-					-	-
As at March 31, 2020	392.79	(15.55)					(15.55)	377.24

The accompanying notes form an integral part of these financial statements


As per our report of even date
R Jain & Ganjay Associates
Chartered Accountants
Firm Registration No.: 012077N

CA R. K. Jain
Partner
Membership No. 009981

Place : Gurugram
Date : 15/06/2020

For and on behalf of the Board of Directors of
Lumax FAE Technologies Private Limited


Deepak Jain
Director
00004972


Anmol Jain
Director
00004993

1. Corporate information

The company was incorporated on 31th July, 2017 with the object to carry on the business of electrical and electronic products including oxygen and other sensors for the automotive industry. The registered office of the company is situated at 2nd Floor, Harbans Bhawan-II Commercial Complex, Nangal Raya, New Delhi 110046.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2 Significant accounting policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended)

The financial statements have been prepared on a historical cost basis, except for the financial assets and liabilities which have been measured at fair value or revalued amount.

The Financial Statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs, except wherever otherwise stated.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet are based on current/ non-current classification.

Assets

An asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

Liabilities

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for the purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income.

Capital work in progress

Capital work in progress comprises the cost of tangible assets that are not ready for their intended use at the reporting date.

c. Borrowing costs

Borrowing costs consists of interest expense and amortization of ancillary costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

d. Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in "Lacs", except where otherwise stated.



Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated.

There is no foreign currency transaction during the year under report.

e. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, Goods and services tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

(a) Sale of Goods

Revenue from sale of goods is recognized at the point in time when control of the inventory is transferred to the customer, generally on delivery of the equipment. The normal credit term is 30 to 90 days upon delivery.

(b) Service Income

Revenues from services are recognized pro-rata over the period of the contract as and when services are rendered. The Group collects Goods & Service Tax ("GST") on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

(c) Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.



f. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-to-use assets representing the right to use the underlying assets.

i. Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

ii. Short-term leases and leases of Low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

g. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid,



h. Provisions (other than employee benefits)

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

(i) Warranties

Provisions were not made in respect of warranty costs in the year.

(ii) Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

i. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings etc.



j. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



k. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

l. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

m. Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

n. Segment reporting

Identification of segments

The company's business activity falls within a single business segment, there are no disclosures to be provided.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.



2.4 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans

The present value of the gratuity has not been determined.



3. Property, plant and equipment and capital work in progress

3 (a) Property, plant and equipment (net)

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

	As at March 31, 2020	As at March 31, 2019
Leasehold Land	-	-
Building	-	-
Buildings (Non- Factory)	-	-
Lease Hold Improvement	-	-
Plant and Equipment's	-	-
Furniture and Fixtures	-	-
Office Equipment's	-	-
Vehicles	-	-
Computers	-	-
Total	-	-

3 (b) Capital work in progress

The details of capital work in progress:

	As at March 31, 2020	As at March 31, 2019
Capital work in progress *	1,465.92	19.07
Total	1,465.92	19.07

* Capital work in progress As at March 31, 2020 comprises expenditure for the plant and equipment's.



4 Loans

	As at March 31, 2020	As at March 31, 2019
Non Current		
Loans		
Security Deposit	20.00	20.00
	20.00	20.00
Current		
Loans		
Security Deposit	1.96	-
	1.96	-
Current	1.96	-
Non- current	20.00	20.00



5 Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
- On current accounts	10.29	20.04
- Deposits with original maturity of less than 3 months	44.00	150.00
Cash on hand	0.17	-
Total	54.46	170.04



6 Other financial assets

	As at March 31, 2020	As at March 31, 2019
Other financial assets		
Non- current		
Interest accrued but not due on fixed deposits	-	-
Current		
Interest accrued but not due	0.02	0.09
	0.02	0.09
Total	0.02	0.09
Current	0.02	0.09
Non- Current	-	-
	0.02	0.09



7 Other assets
 (Unsecured, considered good, unless otherwise stated)

The details of other assets:

	As at March 31, 2020	As at March 31, 2019
Non- current		
Advances for property, plant and equipment	79.84	378.07
Total (A)	79.84	378.07
Current		
Balance with statutory / government authorities	245.13	3.30
Total (B)	245.13	3.30
Total (A+B)	324.97	381.37
Current	245.13	3.30
Non -current	79.84	378.07



8 Current Tax Assets - net

	As at March 31, 2020	As at March 31, 2019
Current tax Assets/(liabilities) net	0.40	0.13
Current tax assets net	0.40	0.13

9 Share Capital

a) Details of share capital is as follows:

	As at March 31, 2020	As at March 31, 2019
Authorised share capital 40 lakhs (As at March 31, 2019: 40 lakhs) equity shares of Rs. 10 each	400.00	400.00
	400.00	400.00
Issued, subscribed and fully paid up capital 39.28 lakhs (As at March 31, 2019: 39.28 lakhs) equity shares of Rs. 10 each	392.79	392.79
	392.79	392.79

b. Reconciliation of authorised share capital

	Equity Shares	
	No. of shares (in lacs)	Amount
As at April 01, 2018	0.10	1.00
Increase/(Decrease) during the year	39.90	399.00
As at March 31, 2019	40.00	400.00
Increase/(Decrease) during the year	-	-
As at March 31, 2020	40.00	400.00

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

	Equity Shares	
	No. of shares (in lacs)	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at April 01, 2018	0.10	1.00
Issued during the year	39.18	391.79
As at March 31, 2019	39.28	392.79
Issued during the year	-	-
As at March 31, 2020	39.28	392.79



d) Terms/ rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 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 March 31, 2020		As at March 31, 2019	
	No. of shares (in lacs)	% holding in the equity shares	No. of shares (in lacs)	% holding in the equity shares
Equity shares of Rs.10 each fully paid				
Lumax Auto Technologies Ltd.	20.10	51%	20.10	51%
Francisco Albero SAU	19.18	49%	19.18	49%

10 Other equity

Reconciliation of Other Equity

	Retained earnings	Capital Reserve	Securities premium	General reserve	FVTOCI reserve	Total
As at April 01, 2018	(0.10)	-	-	-	-	(0.10)
Profit for the year	(8.04)	-	-	-	-	(8.04)
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-
As at March 31, 2019	(8.14)	-	-	-	-	(8.14)
Profit for the year	(7.40)	-	-	-	-	(7.40)
Other comprehensive income for the year (net of tax)	-	-	-	-	-	-
Total comprehensive income	(7.40)	-	-	-	-	(7.40)
Less : Dividend Paid	-	-	-	-	-	-
Less: Dividen Distribution Tax Paid	-	-	-	-	-	-
As at March 31, 2020	(15.55)	-	-	-	-	(15.55)



11 Borrowings

a) Details of long term borrowings:

	As at March 31, 2020	As at March 31, 2019
Term Loans		
Term Loan from banks (secured)*	700.00	200.00
Less: current maturity disclosed under other financial liabilities		
- term loan	(175.00)	-
Total Long Term borrowings	525.00	200.00
Total current	175.00	-
Total non -current	525.00	200.00
Aggregate secured loans	700.00	200.00
Aggregate unsecured loans	-	-

- * Indian rupee loan from bank amounting Rs. 700 Lacs (March 31, 2019 Rs. 200 lacs) carried interest @ 9.80% p.a. at present. The loan was repaid in 16 equal quarterly instalments of Rs. 43.75 lacs. The loan is secured by extension of charges by way of hypothecation on the plant and machinery:

b) Details of short term borrowings:

	As at March 31, 2020	As at March 31, 2019
Unsecured Loans		
Inter Corporate Deposit (With Interest @10%)	105.32	-
Total	105.32	-

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.



12 Trade payables

	As at March 31, 2020	As at March 31, 2019
A. Trade payables		
- Trade payables	681.69	0.44
- Related parties	1.75	0.66
B. Other payables		
- Other payables	-	1.73
Total	683.44	2.83
Payables to Micro and Small Enterprises	-	-
Payables to Others than Mico and Small Enterprises	683.44	2.83

13 Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Other financial liabilities at amortised cost		
Non-current		
Amount payable for property, plant and equipment	-	-
Total (A)	-	-
Current		
Current maturity of long term loan	175.00	-
Accrued salaries	0.26	1.02
Interest accrued but not due	0.93	-
Total	176.19	1.02
Total current	176.19	1.02
Total non-current	-	-

14 Other liabilities

Details of other liabilities

	As at March 31, 2020	As at March 31, 2019
Non Current		
Other liabilities (net)	-	-
	-	-
Current		
Statutory dues	0.54	2.19
Total	0.54	2.19
Current	0.54	2.19
Non-current	-	-



15 Revenue from operations

The details of revenue from operations is as follows:

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Sale of products		
Finished goods	-	-
Revenue from operations	-	-

16 Other income

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Other non-operating income		
Interest income		
- On fixed deposits	3.98	1.25
- Others	0.01	-
Net gain on foreign currency transaction and translation	0.21	-
Total	4.20	1.25



17 Employee benefits expense

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Salaries, wages and bonus	4.27	0.64
Contributions to provident and other funds	0.33	0.03
Compensated absences	0.02	-
Staff welfare expense	0.19	-
Total	4.81	0.67

18 Finance costs

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Interest paid to others	0.00	0.00
Total	0.00	0.00



19 Other expenses

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Travelling and conveyance	6.00	0.93
Legal and professional fees	0.08	0.65
Repairs and maintenance		
- Plant and machinery	0.03	-
Communication cost	0.10	0.12
Bank Charges	(0.24)	0.24
Payment to auditors (refer detail below)*	0.28	0.25
Printing and stationery	0.01	0.03
Advertisement and sales promotion	0.29	0.52
Miscellaneous expenses	0.24	5.79
Total	6.79	8.63

Payment to Auditor (excluding applicable taxes)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
As Auditor:		
Audit Fee	0.25	0.25
In other Capacity:		
Certification fees	0.03	-
Total	0.28	0.25



20 Components of Other Comprehensive Income (OCI)

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

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Re-measurement gains/ (losses) on defined benefit plans	-	-
Deferred tax thereon	-	-
Gain on FVTOCI equity securities	-	-
Deferred tax thereon	-	-
	-	-

21 Earnings per share (EPS)

- a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.
- b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
- c) The following reflects the income and share data used in the basic and diluted EPS computations:

	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Profit attributable to the equity holders of the Company	(7.40)	(8.04)
Weighted average number of equity shares for basic and diluted EPS (in lacs)	39.28	9.42
Basic and diluted earnings per share (face value Rs. 10 per share)	(0.19)	(0.85)

- d) There has not been any transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.



22 Commitments and contingencies

a) Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:
Capital commitments are Rs. 718.66 Lacs (March 31, 2019: Rs 748.89 Lacs), net of advances.

23 Commitments relating to lease arrangements

OPERATING LEASE-AS A LESSEE

- a) In Fy 2018-19 the company had taken lease of Industrial property on a plot size of 1000 sq. mtr. area for a period of 9 years.
b) During the year ended 31st March 2019, the company had taken lease of Residential property area for a period of 11 months.
c) The future minimum lease payments are :

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
-Not later than one year	54.80	41.45
-Later than one year but not later than five years	221.88	216.72
-Later than five years	187.31	244.068

24 Contingent liabilities

	As at March 31, 2020	As at March 31, 2019
Claims against the group not acknowledged as debts	NIL	NIL



25 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-



26 Related party disclosures

Names of related parties and related party relationship

S. No.	Relationship	Name of Related Parties
1	KEY MANAGEMENT PERSON	MR. DEEPAK JAIN
		MR. ANMOL JAIN
2	ULTIMATE HOLDING COMPANY	LUMAX AUTO TECHNOLOGIES LTD.
		FRANCISCO ALBERO S.A.U.
3	ENTERPRISES OWNED OR SIGNIFICANTLY INFLUENCED BY KMP	LUMAX CORNAGLIA AUTO TECHNOLOGIES
		LUMAX ANCILLARY LIMITED
		LUMAX MANNOH ALLIED TECNOLOGIES LIMITED
		LUMAX GILL-AUSTEM AUTO TECNOLOGIES PVT.LTD.
		LUMAX INDUSTRIES LTD.
		LUMAX DK AUTO INDUSTRIES LTD.
		LUMAX ENERGY SOLUTIONS PVT.LTD.
		LUMAX TOURS & TRAVELS LIMITED
LUMAX CHARITABLE FOUNDATION		



Sr. No.	Account Head	ULTIMATE HOLDING COMPANY		Enterprises owned or significantly influenced by Key Management Personnel and/ or their relatives		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
A)	TRANSACTIONS						
i)	Purchase of Goods						
	Lumax Ancillary Limited	-	-	-	0.66	-	0.66
	Total (i)	-	-	-	0.66	-	0.66
ii)	Availing of services						
	Lumax Tours & Travels Limited	-	-	2.60	-	2.60	-
	Lumax Industries Limited	-	-	0.02	-	0.02	-
	Lumax Auto Technologies Limited	-	21.95	-	-	-	21.95
	Francisco Albero S.A.U	132.99	-	-	-	132.99	-
	Total (ii)	132.99	21.95	2.62	-	135.61	21.95
iii)	Unsecured Loan Taken						
	Lumax Auto Technologies Limited	105.32	-	-	-	105.32	-
	Total (iii)	105.32	-	-	-	105.32	-
iv)	Interest Paid						
	Lumax Auto Technologies Limited	0.93	-	-	-	0.93	-
	Total (iv)	0.93	-	-	-	0.93	-
		239.23	21.95	2.62	0.66	241.85	22.62

Sr. No.	Account Head	ULTIMATE HOLDING COMPANY		Enterprises owned or significantly influenced by Key Management Personnel and/ or their relatives		Total	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
B)	Balances at the year end						
i)	Payables						
	Lumax Industries Limited	-	-	0.02	-	0.02	-
	Lumax Tours & Travels Limited	-	-	1.73	-	1.73	-
	Lumax Auto Technologies Limited	106.24	-	-	-	106.24	-
	Lumax Ancillary Limited	-	-	-	0.66	-	0.66
	Total (i)	106.24	-	1.75	0.66	108.00	0.66
		106.24	-	1.75	0.66	108.00	0.66



27 **Financial risk management objectives and policies**

The Company's principal financial liabilities comprise of trade and other payables, borrowings, security deposits and payables for property, plant and equipment. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash, fixed deposits and security deposits that derive directly from its operations.

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

A. **Market risk**

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

The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

i) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest bearing financial liabilities includes borrowings with fixed interest rates.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

B. **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

i) **Trade receivables**

Customer credit risk is managed by each Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for all clients. The Company evaluates the concentration of risk with respect to trade receivables as low.

C. **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

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

As at March 31, 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	-	105.32	525.00	-	630.32
Trade and other payables	-	683.44	-	-	-	683.44
Other financial liabilities	-	44.94	131.25	-	-	176.19
Total	-	728.38	236.57	525.00	-	1,489.95

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	-	-	200.00	-	200.00
Trade and other payables	-	2.84	-	-	-	2.84
Other financial liabilities	-	1.02	-	-	-	1.02
Total	-	3.86	-	200.00	-	203.86

28 **Effect due to Corona Virus (Covid-19)**

In the opinion of the management, there is no significant impact on Entity due to Covid-19. Hence, the impact in this regard has not been considered while preparing these financial statements.

The accompanying notes form an integral part of these financial statements

As per our report of even date

R Jain & Sanjay Associates

Chartered Accountants

Firm-Registration No: 012377N

GURUGRAM

CA R.K. Jain

Partner

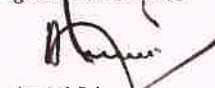
Membership No. 009981

Place: Gurugram

Date: 15/06/2020

For and on behalf of the Board of Directors of
Lumax FAE Technologies Private Limited


Deepak Jain
Director
00004972


Anmol Jain
Director
00004993