INDEPENDENT AUDITOR'S REPORT

To the Members of Lumax Cornaglia Auto Technologies Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Lumax Cornaglia Auto Technologies Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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) specified under section 133 of the Act read with the Companies Indian Accounting Standards Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to

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

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

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

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

Other Matter

The Ind AS financial statements of the Company for the year ended March 31, 2018, included in these Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 28, 2018.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated

June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 35 (a) to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra
Partner
Membership Number: 094421

Place of Signature: New Delhi
Date: May 18, 2019

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory requirements" of our report. (Annexure 1)

Re: Lumax Cornaglia Auto 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) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/ fixed assets of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year.

Discrepancies noted on physical verification of inventories were material, and have been properly dealt with in the books of account.

(iii) According to the information and explanations given 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 clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of automobile components, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, service tax, sales-tax, duty of custom, duty of excise, value added tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
1.	Maharashtra Value added Tax 2002	2.23 lacs	Financial year 2012-13	Deputy Commissioner of Sales Tax

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans and borrowing to a financial institution, bank or government dues. There is no debenture or government dues outstanding during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 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. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per Vikas Mehra
Partner
Membership Number: 094421

Place of Signature: New Delhi
Date: May 18, 2019

Lumax Cornaglia Auto Technologies Private Limited
Balance Sheet as at March 31, 2019

Amount in INR lakhs, unless otherwise stated

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
I. Non-current assets			
Property, plant and equipment	3(a)	2,391.17	1,728.18
Capital work in progress	3(b)	124.66	53.32
Intangible assets	4	6.51	80.56
Income tax assets(net)	5	35.28	15.89
Financial assets			
- Other financial assets	12	-	62.55
Other non- current assets	6	57.65	220.36
		2,615.27	**2,160.86**
II. Current assets			
Inventories	7	620.25	864.90
Financial assets			
- Loans	8	63.15	0.03
- Trade receivables	9	728.02	978.02
- Cash and cash equivalents	10	3.54	74.47
- Other bank balances	11	76.47	72.00
- Others financial assets	12	0.32	0.88
Other current assets	6	270.81	90.31
		1,762.56	**2,080.61**
Total Assets		**4,377.83**	**4,241.47**
EQUITY AND LIABILITIES			
I. Equity			
Equity share capital	13	642.77	642.77
Other equity	14	1,454.71	1,959.96
Total equity		**2,097.48**	**2,602.73**
II. Liabilities			
Non- current liabilities			
Financial liabilities			
Provisions	15	14.91	16.36
Deferred tax liabilities (net)	16	144.46	174.10
		159.37	**190.46**
III. Current liabilities			
Financial liabilities			
- Borrowings	17	708.92	-
- Trade payables			
- Payable to Micro and Small Enterpises	18	-	-
- Payable to other than Micro and Small Enterpises		1,027.16	1,362.47
- Other financial liabilities	19	359.28	24.83
Provisions	15	11.88	14.67
Other current liabilities	20	13.74	46.31
		2,120.98	**1,448.28**
Total equity and liabilities		**4,377.83**	**4,241.47**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vikas Mehra
Partner
Membership No. 094421

Place : New Delhi
Date : May 18, 2019

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

D. K. Jain
(Chairman)
DIN:00085848

Anmol Jain
(Director)
DIN: 00004993

Deepak Jain
(Director)
DIN: 00004972

Rishi Gupta
(Company Secretary)
M. No. A34864

Place : Gurugram
Date : May 18, 2019

Lumax Cornaglia Auto Technologies Private Limited
Statement of Profit and loss for year ended March 31, 2019

Amount in INR lakhs, unless otherwise stated

		Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I	Revenue from contracts with customers	21	4,443.62	4,877.34
II	Other income	22	23.76	32.61
III	**Total income**		**4,467.38**	**4,909.95**
IV	**Expenses**			
	Cost of raw material and components consumed	23	2,622.38	2,759.44
	Cost of moulds consumed	24	44.28	250.91
	(Increase) in inventories of finished goods and work-in-progress	25	(13.40)	(31.85)
	Excise duty on sale of goods		-	137.43
	Employee benefits expense	26	476.65	411.72
	Finance costs	27	36.18	1.79
	Depreciation and amortization expense	28	171.01	127.55
	Other expenses	29	1,064.05	692.40
V	**Total expenses**		**4,401.15**	**4,349.39**
VI	**Profit before exceptional items and tax (III-IV)**		**66.23**	**560.56**
VII	**Exceptional Items**	30	(603.11)	-
VIII	**(Loss)/Profit before tax (VI-VII)**		**(536.88)**	**560.56**
IX	**Tax expense:**			
	Current tax	16	-	117.49
	Adjustment of tax relating to earlier years	16	7.73	(2.17)
	Deferred tax	16	(32.34)	39.77
X	**(Loss)/Profit for the year (VIII-IX)**		**(512.27)**	**405.47**
XI	**OTHER COMPREHENSIVE INCOME**			
	Other Comprehensive Income not to be reclassified to statement of profit or loss in subsequent years			
	Re-measurement gain on defined benefit plans	31	9.72	5.14
	Income tax effect	31	(2.70)	(1.42)
XII	**Other comprehensive income for the year, net of tax**		**7.02**	**3.72**
XIII	**Total comprehensive (loss)/ income of the year (comprising net (loss)/ income for the year and other comprehensive income)**		**(505.25)**	**409.19**
	(Loss)/earnings per share:			
	1) Basic	32	(7.97)	6.31
	2) Diluted	32	(7.97)	6.31

The accompanying notes form an integral part of these financial statements

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vikas Mehra
Partner
Membership No. 094421

Place : New Delhi
Date : May 18, 2019

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

D. K. Jain	**Anmol Jain**	**Deepak Jain**
(Chairman)	(Director)	(Director)
DIN:00085848	DIN: 00004993	DIN: 00004972

Rishi Gupta
(Company Secretary)
M. No. A34864

Place : Gurugram
Date : May 18, 2019

Lumax Cornaglia Auto Technologies Private Limited
Statement of Changes in equity for the year ended March 31, 2019

Amount in INR lakhs, unless otherwise stated

	Share capital* (1)	Other Equity			Total equity (1+2)
		Retained earnings (Refer Note 14)	Securities premium (Refer Note 14)	Total Reserves and surplus (2)	
As at April 01, 2017 (A)	642.77	1,012.11	538.66	1,550.77	2,193.54
Issued during the year	-	-	-	-	-
Add: Profit for the year	-	405.47	-	405.47	405.47
Add: Other comprehensive income	-	3.72	-	3.72	3.72
Total comprehensive income (B)	-	409.19	-	409.19	409.19
As at March 31, 2018 (A+B)	**642.77**	**1,421.30**	**538.66**	**1,959.96**	**2,602.73**
Less: Loss for the year	-	(512.27)	-	(512.27)	(512.27)
Add: Other comprehensive Income	-	7.02	-	7.02	7.02
Total comprehensive loss (C)	-	(505.25)	-	(505.25)	(505.25)
As at March 31, 2019 (A+B+C)	**642.77**	**916.05**	**538.66**	**1,454.71**	**2,097.48**

* 64.28 lacs equity shares of Rs. 10/- each fully paid up

The accompanying notes form an integral part of these financial statements

As per our report of even date
For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

per Vikas Mehra
Partner
Membership No. 094421

Place : New Delhi
Date : May 18, 2019

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

D. K. Jain	**Anmol Jain**	**Deepak Jain**
(Chairman)	(Director)	(Director)
DIN:00085848	DIN: 00004993	DIN: 00004972

Rishi Gupta
(Company Secretary)
M. No. A34864

Place : Gurugram
Date : May 18, 2019

Lumax Cornaglia Auto Technologies Private Limited
Cash flow statement for year ended March 31, 2019

Amount in INR lakhs, unless otherwise stated

	Notes	Year Ended March 31, 2019	Year Ended March 31, 2018
Cash Flow from Operating Activities			
(Loss)/ Profit before tax		**(536.88)**	**560.56**
Adjustment to reconcile profit before tax to net cash flows			
Non-cash adjustments:			
Depreciation and amortisation expenses		505.77	127.55
Gain on sale of Property, Plant and Equipment		(0.08)	(0.98)
Inventory written off		346.61	-
Balances written off		74.03	-
Provision for Gratuity in OCI		-	5.14
Unrealised exchange gain		(14.87)	(9.49)
Interest income	22	(5.02)	0.31
Interest expenses	27	36.18	(1.79)
Operating profit before working capital changes		**405.74**	**681.30**
Movements in working capital :			
Decrease/(Increase) in trade receivables		175.97	(189.88)
(Increase)/Decrease in inventories		(101.97)	25.74
(Decrease)/ Increase in current liabilities and provisions		(303.14)	328.24
Decrease / (increase) in Financial assets		0.03	0.01
Decrease / (increase) in other assets		(180.50)	(160.92)
Cash generated from operations		**(3.87)**	**684.49**
Direct taxes paid		(27.12)	(115.32)
Net cash generated from operating activities (A)		**(30.99)**	**569.17**
Cash flows from investing activities			
Purchase of fixed assets (including capital in progess and capital		(713.20)	(444.43)
Proceeds from sale of Property, Plant and Equipment		-	1.19
Interest received		4.98	(0.31)
Investment in bank Deposits		(4.47)	(72.00)
Net cash used in investing activities (B)		**(712.69)**	**(515.55)**
Cash flows from financing activities			
Proceeds from long term borrowings	17	708.93	-
Unrealised exchange loss/ (gain)		-	9.49
Interest paid	27	(36.18)	1.79
Net cash used in financing activities (C)		**672.75**	**11.28**
Net Increase/(decrease) in cash and cash equivalents (A + B + C)		(70.93)	64.90
Cash and cash equivalents at the beginning of the year		74.47	9.57
Cash and cash equivalents at the end of the year	10	**3.54**	**74.47**

Components of cash and cash equivalents		
Cash on hand	0.17	0.40
Balance with banks		
- on current accounts	3.37	11.70
- on cash credit accounts	-	62.37
Total cash and cash equivalents (refer note 10)	**3.54**	**74.47**

The accompanying notes form an integral part of these financial statements

As per our report of even date

As per our report of even date
For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

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

per Vikas Mehra
Partner
Membership No. 094421

D. K. Jain
(Chairman)
DIN:00085848

Anmol Jain
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Rishi Gupta
(Company Secretary)
M. No. A34864

Place : New Delhi
Date : May 18, 2019

Place : Gurugram
Date : May 18, 2019

1. Corporate information

Lumax Cornaglia Auto Technologies Private Limited Was incorporated on June 14, 2007 as a Joint Venture between Lumax Auto Technologies Limited and Cornaglia Metallurgical Products India Private Limited., and is engaged in the business of manufacturing and supply of Air Intake Systems (AIS) and plastic granules for automobiles.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 18, 2019.

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 (Rs. 00,000), except wherever otherwise stated.

2.2 Summary of significant accounting policies

A. Changes in accounting policies and disclosures

Ind AS 115 Revenue from contracts with customer

The Company has applied Ind AS 115 for the first time. Ind AS 115 supersedes Ind AS 18 "Revenue" and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at April 1, 2018. This did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

D. Property, plant and equipment

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price (net of Input Tax Credit) and any directly attributable cost to bring assets to working condition. When significant parts of property, plant and equipment are required to be replaced at intervals, Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

- Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.
- The Company identifies any particular component embedded in the main asset having significant value to total cost of asset and also a different life as compared to the main asset.
- The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

  Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets when they meet the definition of Property Plant Equipment, i.e., when the Company intends to use these during more than a period of 12 months.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives as estimated by the management which is in line with the Schedule II to the Companies Act, 2013. The Company has used the following useful lives to provide depreciation on its Property, plant and equipment which is in line with schedule II:

Assets	**Useful Lives estimated by the management (in years)**
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	5

The management has estimated, supported by independent assessment by professionals, the useful life of the following class of asset, which are higher/different than that indicated in Schedule II.

Assets	**Useful Lives estimated by the management (in years)**
Plant and Machineries	10-21
Moulds	9-12

Leasehold improvement is amortised on a straight line basis over the period of lease term.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date, fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Land under Finance lease

The Company has lands allotted by authorities for a lease term of ninety-nine years. These lands were acquired by paying the consideration, which reflected the prevalent market price and upfront payment of all future lease rentals. There are no further lease rental obligations upon the Company to be paid to the Authority. There are no restrictions on usage or transfer of the land to any party by the Company. In view of aforesaid facts and circumstances, the Company has classified these lands as finance lease.

Operating lease

A lease where risks and rewards incidental to ownership of an asset substantially vest with the lessor is classified as operating lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless:

(a) Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

J. Revenue from contract with customer

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

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

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 43.

The specific recognition criteria described below must also be met before revenue is recognized:

K. 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.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocated a portion of the transaction price to goods bases on its relative standalone prices and also considers the following:

(i) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

(ii) Schemes

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as discounts. Revenue from contract with customer is presented deducting cost of all these schemes.

L. Interest Income

For all debt instruments measured at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "other income" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and
b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
b) Net interest expense or income

P. 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.

Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

Q. 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.

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.

S. 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.

T. Contingent liabilities and contingent assets

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.

U. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

V. 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

W. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as an expense in the statement of profit and loss.

Amount in INR lakhs, unless otherwise stated

3 Property, plant and equipment

Particulars	Leasehold Improvement	Plant and Machinery	Furniture and Fixture	Office Equipments	Vehicle	Computers	Total
Gross block	23.7	1418.93	35.46	5.93	24.38	20.67	1,529.07
As at April 1, 2017							-
Additions	5.10	677.63	6.47	2.44	-	1.66	693.30
Deductions	-	-	-	-	(10.33)	-	(10.33)
As at March 31, 2018	28.80	2,096.56	41.93	8.37	14.05	22.33	2,212.04
Additions	11.13	1,009.39	45.76	27.03		1.32	1,094.63
Deductions	-	-	-	-	-	(1.00)	(1.00)
Adjustment (Refer note 30)		(313.84)	(1.07)				(314.91)
As at March 31, 2019	**39.93**	**2,792.11**	**86.62**	**35.40**	**14.05**	**22.66**	**2,990.77**
Depreciation							
As at April 1, 2017	14.48	319.74	16.41	4.47	14.31	17.57	386.98
For the year	2.73	94.30	4.19	0.80	3.55	1.43	107.00
Deductions	-	-	-	-	(10.12)	-	(10.12)
As at March 31, 2018	17.21	414.04	20.60	5.27	7.74	19.00	483.86
For the year	3.18	149.78	5.27	2.20	3.55	1.82	165.80
Deductions	-	-	-	-	-	(1.07)	(1.07)
Adjustment (Refer note 30)		(48.80)	(0.19)				(48.99)
As at March 31, 2019	**20.39**	**515.02**	**25.68**	**7.47**	**11.29**	**19.75**	**599.60**
							-
Net block							-
As at March 31, 2019	**19.54**	**2,277.09**	**60.94**	**27.93**	**2.76**	**2.91**	**2,391.17**
As at March 31, 2018	11.59	1,682.52	21.33	3.10	6.31	3.33	1,728.18

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Amount in INR lakhs, unless otherwise stated

3(a) Property, plant and equipment and capital work in progress

Property, plant and equipment (net)

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

	As at March 31, 2019	As at March 31, 2018
Leasehold Improvement	19.54	11.59
Plant and Equipments	2,277.09	1,682.52
Furniture and Fixture	60.94	21.33
Office Equipments	27.93	3.10
Vehicle	2.76	6.31
Computers	2.91	3.33
Total	**2,391.17**	**1,728.18**

3(b) Capital work in progress

The details of capital work in progress:

	As at March 31, 2019	As at March 31, 2018
Capital work in progress	124.66	53.32
Total	**124.66**	**53.32**

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Amount in INR lakhs, unless otherwise stated

4 Intangible assets

a) Details of intangible assets:

	As at March 31, 2019	As at March 31, 2018
Intangible assets		
- Computer software	6.51	11.72
- Technical Know How	-	68.84
Total	**6.51**	**80.56**

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

	Technical Know How	Computer softwares	Total
Cost			
At March 31, 2017	**125.95**	**36.79**	**162.74**
Add: Additions	-	0.19	0.19
Less: Deductions	-	-	-
At March 31, 2018	**125.95**	**36.98**	**162.93**
Add: Additions	-	-	-
Less: Deductions	-	-	-
Adjustment (Refer note 30)	(79.65)	-	(79.65)
At March 31, 2019	**46.30**	**36.98**	**83.28**
Amortisation			
At March 31, 2017	**41.85**	**19.97**	61.82
Add: Amortisation charge for the year	15.26	5.29	20.55
Less: Deductions			-
At March 31, 2018	**57.11**	**25.26**	**82.37**
Add: Amortisation charge for the year	-	5.21	5.21
Less: Deductions			-
Adjustment (Refer note 30)	(10.81)		(10.81)
At March 31, 2019	**46.30**	**30.47**	**76.77**
Net book value			
At March 31, 2019	-	**6.51**	**6.51**
At March 31, 2018	68.84	11.72	80.56

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Amount in INR lakhs, unless otherwise stated

5 Income Tax assets (net)

	As at March 31, 2019	As at March 31, 2018
Opening balance	-	-
Add: Advance income tax / Current tax payable	(27.05)	117.49
Less : Taxes paid	8.23	133.38
Total	**(35.28)**	**(15.89)**

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

The details of other assets:

	As at March 31, 2019	As at March 31, 2018
Non- current		
Advances for property, plant and equipment	57.65	220.36
Total (A)	**57.65**	**220.36**
Current		
Balance with statutory / government authorities	103.46	14.95
Advance to suppliers	124.80	48.12
Prepaid expenses	6.88	6.95
Others advances	35.67	20.29
Total (B)	**270.81**	**90.31**
Total (A+B)	**328.46**	**310.67**
Total Current	**270.81**	**90.31**
Total Non -current	**57.65**	**220.36**

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7 Inventories

a) Details of inventories:

	As at March 31, 2019	As at March 31, 2018
Raw materials (at cost) including goods in transit Rs. 13.48 lakhs (March 31, 2018 Rs. 104.29 lakhs)	213.17	440.55
Work-in-progress (at cost)	59.17	48.90
Finished goods (at lower of cost and net realisable value) (including sales in transit Rs.Nil) (March 31, 2018 Rs. Nil)	47.06	43.93
Moulds	253.71	272.78
Stores and spares	47.14	58.74
Total inventories at the lower of cost and net realisable value	**620.25**	**864.90**

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.

8 Financial assets - Loans

	As at March 31, 2019	As at March 31, 2018
Loans		
Security Deposits	63.15	-
Loan to Employees	-	0.03
	63.15	**0.03**
Current	**63.15**	0.03
Non- current	-	-

9 Trade receivables

a) Details of trade receivables:

	As at March 31, 2019	As at March 31, 2018
Trade receivables	690.85	865.60
Receivables from other related parties (Refer Note 36)	37.17	112.42
Total Trade receivables	**728.02**	**978.02**

Break-up for security details:

	As at March 31, 2019	As at March 31, 2018
Secured, considered good	-	-
Unsecured, considered good	728.02	978.02
Doubtful	-	49.95
Total Trade receivables	**728.02**	**1,027.97**
Allowance for trade receivable- credit impaired	-	(49.95)
Total Trade receivables	**728.02**	**978.02**

a. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

b. Trade receivables are non-interest bearing and are generally on terms of not more than 30-90 days.

Amount in INR lakhs, unless otherwise stated

10 Cash and cash equivalents:

	As at March 31, 2019	As at March 31, 2018
Balances with banks:		
- on current accounts	3.37	11.70
- on cash credit accounts	-	62.37
Cash on hand	0.17	0.40
Total	3.54	74.47

11 Other bank balances

a.

	As at March 31, 2019	As at March 31, 2018
Other bank balances		
- Deposits having original maturity of more than 12 months	-	-
- Deposits with remaining maturity more than 3 months but less than 12 months	76.47	72.00
Total	**76.47**	**72.00**
Less: Deposits having maturity of more than 12 months disclosed under other financial assets	-	-
Total	76.47	72.00

b. For the purpose of the statement of cash flow, cash and cash equivalents comprise of the following:

	As at March 31, 2019	As at March 31, 2018
Cash on hand	0.17	0.40
Balance with banks		
- on current accounts	3.37	11.70
- on cash credit accounts	-	62.37
Total	3.54	74.47

c. Changes in liabilities arising from financing activities:

	As at 1 April 2018	Cash flows		As at 31 March 2019
		Proceeds	Repayment	
Short term borrowings	-	708.92	-	708.92
Total liabilities from financing activities	-	**708.92**	-	**708.92**

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Amount in INR lakhs, unless otherwise stated

12 Other Financial assets - Loans

	As at March 31, 2019	As at March 31, 2018
Non- current		
Loans		
Security deposits	-	62.55
	-	**62.55**
Current		
Interest accrued but not due	0.32	0.28
Security deposits	-	0.60
	0.32	0.88
Total	**0.32**	63.43
Current	**0.32**	0.88
Non- Current	-	62.55

Break up of financial assets carried at amortised cost:

	As at March 31, 2019	As at March 31, 2018
Loans (Refer Note 8)	63.15	0.03
Trade receivables (Refer Note 9)	728.02	978.02
Cash and cash equivalents (Refer Note 10)	3.54	74.47
Other Bank Balances (Refer Note 11)	76.47	72.00
Other financial assets (Refer Note 12)	0.32	63.43
Total	**871.50**	**1,187.95**

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13 Share Capital

a) Details of share capital is as follows:

	As at March 31, 2019	As at March 31, 2018
Authorised share capital		
75 lacs (March 31, 2018: 75 lacs) equity shares of Rs. 10 each	750.00	750.00
	750.00	**750.00**
Issued, subscribed and paid up		
Nos 64.28 lacs (March 31, 2018: Nos 64.28 lacs) equity shares of Rs. 10 each	642.77	642.77
	642.77	**642.77**

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

	Equity Shares	
	No. of shares	Amount
Equity shares of Rs. 10 each issued, subscribed and		
At April 01, 2017	63.71	637.12
Issued during the year	0.57	5.65
At March 31, 2018	**64.28**	**642.77**
Issued during the year	-	-
At March 31, 2019	**64.28**	**642.77**

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Amount in INR lakhs, unless otherwise stated

c) 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.

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

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% holding in the equity shares	No. of shares	% holding in the equity shares
Equity shares of INR 10 each fully paid				
Lumax Auto Technologies Limited, (*Holding Company)*	3,213,869	50.00%	3,213,869	50.00%
Cornaglia Metallurgical Products India Private Limited.	3,213,869	50.00%	3,213,869	50.00%

14 Other equity
Reconciliation of Other Equity

	Retained earnings	Securities premium	Total
At April 01, 2017	1,012.11	538.66	1,550.77
Add: Profit for the year	405.47	-	405.47
Add: Other comprehensive income	3.72	-	3.72
At March 31, 2018	**1,421.30**	**538.66**	**1,959.96**
Less: loss for the year	(512.27)	-	(512.27)
Add: Other comprehensive Income	7.02	-	7.02
At March 31, 2019	**916.05**	**538.66**	**1,454.71**

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Amount in INR lakhs, unless otherwise stated

15 Provisions

	As at March 31, 2019	As at March 31, 2018
Non Current		
Provision for compensated absences	14.91	16.36
Total	**14.91**	**16.36**
Current		
Provision for employee benefits		
Provision for gratuity	11.88	13.38
Provision for compensated absences		1.29
Total	**11.88**	**14.67**
Current	**11.88**	**14.67**
Non Current	**14.91**	**16.36**

16 Income tax

The major components of income tax expense for the years ended March 31, 2019 and March 31, 2018 are:

a. Statement of profit and loss:

	As at March 31, 2019	As at March 31, 2018
Current income tax:		
Current income tax charge	-	117.49
Adjustments in respect of current income tax of previous year	7.73	(2.17)
Deferred tax :		
Relating to origination and reversal of temporary differences	(32.34)	39.77
Income tax expense reported in the statement of profit or loss	**(24.61)**	**155.09**

b. OCI section

Deferred tax related to items recognised in OCI during the year:

	As at March 31, 2019	As at March 31, 2018
Net loss/ (gain) on remeasurements of defined benefit plans	(2.70)	(1.42)
Income tax charged to OCI	**(2.70)**	**(1.42)**

c. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2019 and March 31, 2018.

	As at March 31, 2019	As at March 31, 2018
Accounting profit before income tax	**(536.88)**	**560.56**
At India's statutory income tax rate of 27.82% (March 31, 2018: 27.5525%)	-	154.45
Non-deductible expenses for tax purposes:		
Permanent Difference	4.89	0.42
Others	(6.64)	0.27
Impact of expenditures charged to statement of profit and loss in the current year but allowed for tax purpose on payment basis	(15.13)	2.12
Tax of earlier year	(7.73)	(2.17)
At the effective income tax rate of nil (March 31, 2018: 27.82%)	**(24.61)**	**155.09**
Income tax expense charged / (Defered tax credit) reported in the statement of profit and loss	(24.61)	155.09

Amount in INR lakhs, unless otherwise stated

d. Deferred tax:

	Balance sheet		**Statement of profit and loss and OCI**	
	As at March 31, 2019	**As at March 31, 2018**	**As at March 31, 2019**	**As at March 31, 2018**
Deferred tax assets relates to the following :				
Impact of expenditures charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	9.40	11.16	1.76	(2.25)
Impact of allowance for doubtful debts	12.99	13.90	0.91	(13.90)
Others	-	12.46	12.46	(0.12)
	22.39	**37.52**	**15.13**	**(16.27)**
Deferred tax liability relates to the following :				
Accelerated depreciation for tax purposes	166.85	211.62	44.77	(57.46)
	166.85	**211.62**	**44.77**	**(57.46)**
Deferred tax expense/(income) charged to OCI and Profit and Loss			**(29.64)**	**41.19**
Total deferred tax liabilities (Net)	**144.46**	**174.10**		

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Amount in INR lakhs, unless otherwise stated

17 Borrowings

a) Details of short term borrowings:

	Effective interest rate	Maturity	As at March 31, 2019	As at March 31, 2018
Loan repayable On Demand (from bank)				
Working capital loan repayable on demand *	9.40%	2019	500.00	-
On cash credit accounts			208.92	-
Total			708.92	-

* Working Capital Loan / Overdraft facility from Bank secured by way of First pari-passu charged by way of hypothication on Current Assets, re-payable on demand and carries interest @ 9.40%

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.

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Amount in INR lakhs, unless otherwise stated

18 Trade payables

	As at March 31, 2019	As at March 31, 2018
A. Trade payables		
- Trade payables*	702.10	1,094.18
- Related parties (Refer Note 36)	270.31	253.53
B. Other payables		
- Other payables	54.75	14.76
Total	**1,027.16**	**1,362.47**
Payable to Micro and small enterprises	-	-
Payable to other than Micro and small enterprises	1,027.16	1,362.47

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

19 Other financial liabilities

	As at March 31, 2019	As at March 31, 2018
Other financial liabilities at amortised cost		
Non-current (A)	-	-
Current		
Amount payable for property, plant and equipment	314.89	24.83
Accrued salaries	44.39	-
Total (B)	**359.28**	**24.83**
Total (A+B)	**359.28**	**24.83**
Total current	**359.28**	**24.83**
Total non- current	-	-

Breakup of financial liabilities at amortised cost:

	As at March 31, 2019	As at March 31, 2018
Borrowing (Refer note 17)	708.92	-
Trade Payables (Refer note 18)	1,027.16	1,362.47
Other financial liabilities (Refer note 19)	359.28	24.83
Total financial liabilities carried at amortised cost	**2,095.36**	**1,387.30**

20 Other liabilities

	As at March 31, 2019	As at March 31, 2018
Current		
Statutory dues	13.74	25.01
Accrued salaries	-	11.26
Advance from customers	-	10.04
Total	**13.74**	**46.31**
Current	13.74	46.31
Non-current	-	-

21 Revenue from contracts with customers

a) The details of revenue from contracts with customers is as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of products		
Finished goods (Refer note 45)	4,083.66	4,466.25
Total sale of products (A)	**4,083.66**	**4,466.25**
Sale of Services	288.58	-
Other operating revenue:		
Scrap sale	8.13	8.53
Die & tool sale	63.25	402.56
Total other operating revenue (B)	**359.96**	**411.09**
Revenue from contracts with customers (A+B)	**4,443.62**	**4,877.34**

Sale of finished goods includes excise duty collected from customers amounting to Rs.Nil (March 31, 2018 : Rs.137.43 lakhs). Revenue from operations for previous periods up to June 30, 2017 included excise duty. From July 1, 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year ended March 31, 2019 is not comparable with March 31, 2018 to that extent.

21.1 Contract Balances

	For the year ended March 31, 2019	For the year ended March 31, 2018
Trade receivable	728.02	978.02

22 Other income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Other non-operating income		
Interest income		
- On fixed deposits	5.02	0.31
Miscellaneous income	14.15	31.32
Exchange Difference (net)	1.00	-
Gain on sales of fixed assets (net)	-	0.98
Duty Drawback	3.59	-
Total	**23.76**	**32.61**

23 Cost of raw materials and components consumed

a) Raw material and components consumed

	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventory at the beginning of the year	336.26	344.30
Add: Purchases	2,499.29	2,751.40
Less: Inventory at the end of the year	(213.17)	(336.26)
Cost of raw materials and components consumed	**2,622.38**	**2,759.44**

24 Cost of moulds consumed

	For the year ended March 31, 2019	For the year ended March 31, 2018
Inventory at the beginning of the year	272.78	398.02
Add: Purchases made during the year	335.32	125.67
Less : Inventory write off *	(166.72)	-
Less: Exceptional Item (Refer Note 30)	(143.39)	-
Less: Inventory at the end of the year	(253.71)	(272.78)
Cost of moulds consumed	**44.28**	**250.91**

* During the year the management carried out a detailed verification of physical existence , usability, saleability of its inventories including reconciliation of accounts with vendor.Based on that it booked purchase of Rs. 117 lakhs relating to earlier years in the current year. Further, based on technical assessment it allocated Rs. 44.28 lakhs as cost of mould sold during the year. The balance of Rs. 73 lakhs booked as purchase during the year has been charged to the statement of profit and loss as inventory written off and more Rs. 93 lakhs of inventory was written off amounting to total of 166.72 lakhs.

25 (Increase) in inventories of finished goods and work-in-progress

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock		
- Finished goods	43.93	-
- Work-in progress	48.90	60.98
Total A	**92.83**	60.98
Closing stock		
- Finished goods	47.06	43.93
- Work-in progress	59.17	48.90
Total B	**106.23**	92.83
Changes in inventories of finished goods		
- Finished goods	(3.13)	(43.93)
- Work-in progress	(10.27)	12.08
(Increase) in inventories of finished goods and work-in-progress (A-B)	**(13.40)**	**(31.85)**

Amount in INR lakhs, unless otherwise stated

26 Employee benefits expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, wages and bonus	381.12	378.56
Contributions to provident and other funds	12.87	13.48
Gratuity expense (Refer Note 33)	8.23	7.88
Staff welfare expense	74.43	11.80
Total	**476.65**	411.72

27 Finance costs

	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on working capital	32.93	0.10
Interest paid to others	3.25	1.69
Total	**36.18**	1.79

28 Depreciation and amortization expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of tangible assets (refer note 3)	165.80	107.00
Amortization of intangible assets (refere note 4b)	5.21	20.55
Total	**171.01**	**127.55**

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29 Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Freight and forwarding charges	41.60	128.63
Job-work charges	9.71	6.43
Power and fuel	86.16	70.89
Consumables	29.80	30.42
Travelling and conveyance	36.37	57.51
Packing material consumed	95.50	91.33
Rent	225.48	46.43
Security charges	-	16.85
Legal and professional fees	30.29	17.89
Repairs and maintenance		
- Plant and machinery	96.95	30.14
- Building	0.08	0.27
- Others	8.42	21.10
Communication cost	6.90	4.74
Rates and taxes	44.18	37.98
Payment to auditors (refer detail below)*	3.50	1.69
Warranty costs	112.92	-
Insurance	6.70	4.52
Vehicle expenses	-	2.64
Printing and stationery	7.46	4.60
Advertisement and sales promotion	2.41	-
Water charges	-	2.99
Management fees	0.29	-
Exchange difference (net)	-	9.49
Design, support and testing charges	10.44	-
Debtors written off	49.95	-
Less utilised against provision	(49.95)	-
Provision for doubtful debts and advances	-	49.95
Inventory Written off (Refer Note 24)	166.72	-
Miscellaneous expenses	42.17	55.91
Total	**1,064.05**	**692.40**

* **Payment made to auditors is as follows:**

	For the year ended March 31, 2019	For the year ended March 31, 2018
As auditor:		
- Audit fee	3.50	1.50
In other capacity		
- Other services	-	0.19
Total	**3.50**	**1.69**

30 Exceptional Items

	For the year ended March 31, 2019	For the year ended March 31, 2018
Exhaust Business*	(603.11)	-
Total	**(603.11)**	-

*The Board of directors of the Company evaluated the exhaust product line and consequently decided to write off all the assets related to it. There was no operations from exhaust product line. As a result they decided to write off related assets of Rs. 603.11 lakhs including Property, Plant and Equipment and Intangible assets of Rs.334.65 lakhs, Mould Inventory of Rs.143.39 lakhs, Raw materials and components of Rs.36.50 lakhs, Trade receivable of Rs.74.03 lakhs and Other advances of Rs.14.54 lakhs. These are shown as exceptional items in the statement of Profit and loss.

Amount in INR lakhs, unless otherwise stated

31 Components of Other Comprehensive Income (OCI)

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

	Retained earnings	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Re-measurement gains on defined benefit plans	9.72	5.14
Deferred tax thereon	(2.70)	(1.42)
	7.02	**3.72**

32 Earnings per share (EPS)

a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent 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 parent (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, 2019	For the year ended March 31, 2018
(Loss)/profit attributable to the equity holders of the Company	(512.27)	405.47
Weighted average number of equity shares for basic and diluted EPS	64.28	64.28
Basic and diluted (loss)/earnings per share (face value INR 10 per share)	(7.97)	6.31

d) There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

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Amount in INR lakhs, unless otherwise stated

33 Gratuity and other post-employment benefit plans

The Company offers the employee benefit schemes of Gratuity to its employees. Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

a) During the year, the Company has recognized the following amounts in the statement of profit and loss :

Defined contribution plans

Particulars	As at March 31, 2019	As at March 31, 2018
Employer's contribution to providend fund	12.87	13.48

b) Defined Benefit Obligation

Particulars	As at March 31, 2019	As at March 31, 2018
	Gratuity	Gratuity
Cost for the year included under employee benefit		
Current service cost	6.16	5.67
Past service cost	1.00	1.36
Interest cost	1.07	0.86
Net benefit expense	**8.23**	**7.88**

c) Amounts recognised in statement of other comprehensive income (OCI)

	As at March 31, 2019	As at March 31, 2018
	Gratuity	Gratuity
Amounts recognised in statement of other comprehensive income (OCI)		
Opening amount recognised in OCI outside statement of profit and loss	(5.14)	-
Remeasurement for the year - Obligation (Gain) / Loss	(9.77)	(5.10)
Remeasurement for the year - Plan Assets (Gain) / Loss	0.04	(0.04)
Total remeasurement Cost / (Credit) for the year recognised in OCI	(9.72)	(5.14)
Closing amount recognised in OCI outside statement of profit and loss	(14.86)	(5.14)

c) Mortality Table

Particulars	As at March 31, 2019	As at March 31, 2018
	Gratuity	Gratuity
Mortality Table	IALM(2012-14) ult	IALM(2006-08) ult
Economic assumptions		
1 Discount rate	7.70%	7.90%
2 Rate of increase in compensation levels	12%	12%
3 Rate of return on plan assets	7.90%	7.30%
Demographic assumptions		
1 Expected average remaining working lives of employees (years)	11.72	11.63
2 Retirement Age (years)	58 years	58 years
3 Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) ultimate	
Withdrawal Rate		
1 unto 30 years	7%	7%
2 Ages from 31-40	7%	7%
Ages from 41-50	7%	7%
3 Above 50 years	7%	7%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market

Amount in INR lakhs, unless otherwise stated

e) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation and plan assets.

i. Gratuity

Particulars	As at March 31, 2019	As at March 31, 2018
Benefit obligation as at the beginning of the year	19.43	16.97
Transfer in\(out)	0.78	-
Current service cost	6.16	5.67
Past Service cost	-	1.36
Interest cost	1.55	1.21
Benefit paid	-	(0.69)
Actuarial loss/(gain)	(9.77)	(5.10)
Net (assets) / liability	**18.15**	**19.43**

f) Table showing changes in the fair value of plan

	As at March 31, 2019	As at March 31, 2018
Opening fair value of plan assets	6.05	4.84
Contribution by employer	-	1.50
Benefits paid	-	(0.69)
Mortality Charges	(0.22)	-
Actuarial gain on plan assets	0.44	0.40
Net (assets) / liability	**6.27**	**6.05**

g) Benefit asset / liability :

	As at March 31, 2019	As at March 31, 2018
Present value of defined benefit obligation	18.15	19.43
Fair value of plan assets	6.27	6.05
Net (assets) / liability	**11.88**	**13.38**

h) Major category of plan assets (As a % of total plan assets)

Particulars	As at March 31, 2019	As at March 31, 2018
Investment with the insurer	100%	100%

i) A quantitative sensitivity analysis for significant assumption as at March 31, 2018 and March 31, 2017 is as shown below:

Particulars	As at March 31, 2019	As at March 31, 2018
A. Discount rate		
Effect on DBO due to 1% increase in Discount Rate	16.13	17.54
Effect on DBO due to 1% decrease in Discount Rate	20.59	21.64
B. Salary escalation rate		
Effect on DBO due to 1% increase in Salary Escalation Rate	19.99	21.15
Effect on DBO due to 1% decrease in Salary Escalation Rate	16.54	17.84
C. Withdrawal rate		
Effect on DBO due to 1% increase in Withdrawal rate	17.54	18.94
Effect on DBO due to 1% decrease in Withdrawal rate	18.85	19.98
Disclosure regarding the Acuturial Gain and Loss (Ind AS Effect)		

j) **The expected benefit payments in future years is as follows:**

Particulars	As at March 31, 2019	As at March 31, 2018
March 31, 2017		
March 31, 2018		-
March 31, 2019		0.41
March 31, 2020	1.74	0.94
March 31, 2021	0.61	1.29
March 31, 2022	0.76	1.71
March 31, 2023	1.23	2.48
March 31, 2024	1.67	
March 31, 2025 to March 31, 2029	23.83	32.61

34 Commitments and contingencies

a) Capital and other commitments

(1) Estimated amount of contracts remaining to be
Capital commitments are Rs. 211.78 lacs (March 31, 2018: Rs. 556.04 lacs), net of advances.

(2) Commitments relating to lease arrangements

Operating lease commitments - Company as lessee

The total rent expense under these agreements during the year ended March 31, 2019 is Rs. 225.48 lakhs : March 31, 2018 is Rs. 46.43 lakhs.

The Company has entered into certain operating leases for office premises. These leases are cancellable as well as non-cancellable leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

Particulars	March 31, 2019	March 31, 2018
Within one year	131.10	49.68
After one year but not more than five years	318.78	-
More than five years	-	-

35 Contigenet liability

		As at March 31, 2019	As at March 31, 2018
(a)	The Company has received assessment order from Maharashtra Value Added Tax department towards non-furnishing of "C" forms by Company along with interest and penalty for Financial Year 2012-13, amounting to Rs 2.23 Lacs. The Company has filed an appeal against the said order with appropriate authorities.	2.23	-

(b) There are numerous interpretative issues relating to Supreme Court (SC) judgement on PF dated 28th February, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

36 Related party disclosures

Relationship	Name of Related Parties
Parent Company	Lumax Auto Technologies Limited "LATL"
Enterprise with significance influence	Officine Mettalurgiche G. Cornaglia SPA (Italy) Cor-Filters (Itlay) Lumax Industries Limited "LIL" Lumax Tours & Travels Limited Lumax Management Services Private Limited Lumax Charitable Foundation
Key management personnel	Mr. Gautam Desai

Amount in INR lakhs, unless otherwise stated

Names of related parties and related party relationship

Related Party Transactions	As at March 31, 2019	As at March 31, 2018
(a) Officine Mettalurgiche G. Cornaglia SPA (Italy)		
(i) Purchase of Raw materials	74.33	63.27
(ii)Tool Designing	175.56	48.70
(iii) Consultancy/Technical know-how	174.67	-
(b)Cor-Filters (Itlay)		
(i) Purchase of Raw-Materials	-	4.90
(ii) Sales	142.90	158.56
(c) Lumax Industries Limited		
Rent paid	72.48	53.18
Expenses Reimbursement by LIL	0.31	0.75
Expenses Reimbursement by LCAT	-	0.46
(d) Lumax Tours & Travels Limited		
Travelling Expenses	14.14	8.89
(e) Lumax Auto Technologies Limited		
(i) Sales of finished goods (inclusive of taxes)	9.83	3.80
(ii) Sale of Service	14.40	-
(iii) Expenses on behalf by LCAT	-	0.92
(iv) Availing of service	0.09	-
(f) Lumax Charitable Foundation		
Contribution to CSR Activities	8.45	-
(g) Lumax Management Services Private Limited		
Services availed	7.92	10.41
(h) Mr. Gautam Desai		
Directors remuneration	-	8.64
Perquisites	-	15.46

Balance payable at year end

Related Party	As at March 31, 2019	As at March 31, 2018
Lumax Industries Limited	13.36	8.16
Lumax Tours & Travels Ltd	0.31	0.53
Lumax Management Services Pvt. Ltd.	0.28	3.07
Officine Mettalurgiche G. Cornaglia SPA (Italy)	256.37	236.87
Cor-Filters (Itlay)	0.00	4.9
	270.31	**253.53**
Balance receivable at year end		
Cor Filters	31.89	109.11
Lumax Auto Technologies Ltd	5.28	2.85
Lumax Industries Limited	-	0.46
	37.17	**112.42**

37 Capital Management

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.
No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

Particulars	As at March 31, 2019	As at March 31, 2018
Payable for purchase of fixed assets (Refer Note no. 19)	314.89	24.83
Net debts	**314.89**	**24.83**
Capital components		
Share capital	642.77	642.77
Other equity	1,454.71	1,959.96
Total equity	**2,097.48**	**2,602.73**
Capital and net debt	2,412.37	2,627.56
Gearing ratio (%)	**13.05%**	**0.94%**

Amount in INR lakhs, unless otherwise stated

38 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Fair value of financial assets:

Particulars	Carrying values		Fair values	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial assets measured at amortised cost				
Loans	63.15	0.03	63.15	0.03
Trade receivables	728.02	978.02	728.02	978.02
Cash and cash equivalents	3.54	74.47	3.54	74.47
Other Bank Balances	76.47	72.00	76.47	72.00
Security Deposits	-	63.15	-	63.15
Interest accrued but not due	0.32	0.28	0.32	0.28
Total	**871.50**	**1,187.95**	**871.50**	**1,187.95**

b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial liabilities measured at amortised cost				
Borrowings - current	708.92		708.92	-
Trade payables	1,027.16	1,362.47	1,027.16	1,362.47
Amount payable for property, plant and equipment	314.89	24.83	314.89	24.83
Other Financial Liabilities	44.39	-	44.39	-
Total	**2,095.36**	**1,387.30**	**2,095.36**	**1,387.30**

Management has assessed that remaining financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these

Discount rate used in determing fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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Amount in INR lakhs, unless otherwise stated

39 Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

a) **Quantitative disclosures fair value measurement hierarchy for Financial assets as at March 31, 2019:**

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value				
Others				
Loans	63.15	-	-	63.15
Trade receivables	728.02	-	-	728.02
Cash and cash equivalents	3.54	-	-	3.54
Other Bank Balances	76.47	-	-	76.47
Interest accrued but not due	0.32	-	-	0.32
Total	**871.50**	-	-	**871.50**

b) **Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at March 31, 2019:**

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value				
Borrowings - current	708.92	-	-	708.92
Current maturity of vehicle loan	-	-	-	-
Trade payables	1,027.16	-	-	1,027.13
Amount payable for property, plant and equipment	314.89	-	-	314.89
Other Financials Liabilities	44.39			44.39
Total	**2,095.36**	-	-	**2,095.33**

c) **Quantitative disclosures fair value measurement hierarchy for Financial assets as at March 31, 2018:**

#REF!

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value				
Others				
Loans	0.03	-	-	0.03
Trade receivables	978.02	-	-	978.02
Cash and cash equivalents	74.47	-	-	74.47
Other Bank Balances	72.00	-	-	72.00
Security deposits	63.15	-	-	63.15
Interest accrued but not due	0.28	-	-	0.28
Total	**1,187.95**	-	-	**1,187.95**

d) **Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at March 31, 2018:**

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value				
Trade payables	1,362.47	-	-	1,362.47
Amount payable for property, plant and equipment	24.83	-	-	24.83
Total	**1,387.30**	-	-	**1,387.30**

Amount in INR lakhs, unless otherwise stated

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

Particulars	As at March 31, 2019	As at March 31, 2018
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	-	-

41 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 and Executive Director oversees the management of these risks. The Company's senior management and Executive Director advises on financial risks and the appropriate financial risk governance framework for the Company. They provide assurance to the Company's Board 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, 2019 and March 31, 2018.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 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 of foreign operations.

The following assumptions have been made in calculating the sensitivity analysis:
The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018 including the effect of hedge accounting.
The sensitivity of equity is calculated by considering the effect of any associated cash flow hedges and hedges of a net investment in a foreign subsidiary at 31 March 2019 for the effects of the assumed changes of the underlying risk.

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.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade payables and is therefore, exposed to foreign exchange risk.

Amount in INR lakhs, unless otherwise stated

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

	March 31, 2019		March 31, 2018	
	Change +1%	Change -1%	Change +1%	Change -1%
Trade Payable	(4.60)	4.60	(2.44)	2.44
Trade Receivable	0.93	(0.93)	-	-

B. Credit risk

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

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 major clients. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable) disclosed in Note 09. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Further, the Company's customer base majorly includes Original Equipment Manufacturers (OEMs), Large Corporates and Tier-1 vendors of OEMs. Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts. Hence, no adjustment has been made on account of Expected Credit Loss (ECL) model.

C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

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

As at March 31, 2019	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	708.92	-	-	-	-	**708.92**
Trade and other payables	-	939.33	80.60	7.23	-	**1,027.16**
Other financial liabilities	-	359.28	-	-	-	**359.28**
Total	**708.92**	**1,298.61**	**80.60**	**7.23**	**-**	**2,095.36**

As at March 31, 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	-	-	-	-	-
Trade and other payables	-	1,362.47	-	-	-	**1,362.47**
Other financial liabilities	-	24.83	-	-	-	**24.83**
Total	**-**	**1,387.30**	**-**	**-**	**-**	**1,387.30**

42 Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2019 amending the following standard:

(i) Ind AS 116 Leases
Ind AS 116 was notified by the MCA on 30th March 2019. The standard is applicable for the financial year beginning on or after 1 April 2019 to all the companies reporting under Ind AS.

The new standard proposes an overhaul in the accounting for lessees by completely letting go off the previous "dual" finance vs. operating lease model. The guidance in the new standard requires lessees to adopt a single model approach which brings leases on the balance sheet on first day, in the form of a right-of-use asset and a lease liability

The Company is in the process of making an assessment of the impact of Ind-AS 116 upon initial application, which is subject to changes arising from a more detailed ongoing analysis.

(ii) Amendments to existing issues Ind-AS

The MCA has also carried out amendments in following accounting standards. These are:
(a) Ind AS 12 Income taxes to Appendix C Uncertainty over income tax treatments.
(b) Ind AS 19 Employee Benefits
(c) Ind AS 23 Borrowing Costs
(d) Ind AS 28 Investments in Associates and Joint Ventures
(e) Ind AS 109 Financial Instruments
(f) Ind AS 111 Joint Arrangements

Application of above standards are not expected to have any significant impact on the Company's financial statements.

43 Significant accounting judgements, estimates and assumptions

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

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

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

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 33.

44 The financial statements of the Company for the year ended March 31, 2018, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 28, 2018.

45 Revenue is measured by the Company at the fair value of consideration received/ receivable from its customers and in determining the transaction price for the sale of products, the Company considers the effects of variable consideration such as price adjustment to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors. Accordingly, revenue for the current year is net of price differences.

46 Segment Information

The Company had identified its primary business segment as manufacturing of "Automobile components".

All activities of the Company revolve around the above segment. The entire operations are governed by the same set of risks and returns. Hence it is considered as single primary business segment.

Geographical segments:

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and presence in international markets is not significant. Its business is accordingly aligned geographically, catering primarily to India .

The accompanying notes form an integral part of these financial statements

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No.: 301003E/E300005

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

per Vikas Mehra
Partner
Membership No. 094421

D. K. Jain
(Chairman)
DIN:00085848

Anmol Jain
(Director)
DIN:00004993

Deepak Jain
(Director)
DIN: 00004972

Rishi Gupta
(Company Secretary)
M. No. A34864

Place : New Delhi
Date : May 18, 2019

Place : Gurugram
Date : May 18, 2019