

Independent Auditor's Report

To the Members of Lumax Auto Technologies Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Lumax Auto Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint ventures comprising of the consolidated Balance sheet as at March 31, 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint ventures as at March 31, 2021, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the

Consolidated Financial Statements' section of our report. We are independent of the Group, joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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Key audit matters	How our audit addressed the key audit matter
<p>Various pricing liabilities and its impact on recognition on revenue (as described in note 50 of the Consolidated financial statements)</p> <p>Revenue is measured by the Group at the transaction price i.e. amount of consideration received/receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of products, the Holding Company considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors.</p> <p>The Holding Company business requires passing on these credits to the customers once negotiations are finally settled for the sales made by the Holding Company during the year. The estimated liabilities based on various negotiation documents/considerations at year end are disclosed in note 50 to the consolidated financial statements and the consequential impact on revenue is disclosed in note 50 to the consolidated financial statements.</p> <p>We have considered this as a key audit matter on account of the significant judgement involved in estimation of price adjustments to be recorded as at the year end.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessed the Holding Company's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115. Obtained an understanding of the revenue process, and the assumptions used by the management in the process of estimation of price adjustments as per the customer contracts, evaluated design, and implementation of controls, validation of management review controls and tested the operating effectiveness of controls relating to accrual of price adjustments. Evaluated management's methodology and assumptions used in estimation of price adjustments as per customer contracts including the relevance and reliability of underlying historical data, developments during the year and assumptions used. Tested completeness, the arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts. Performed procedures to verify that all transactions relating to accrual of price adjustments that should have been recorded have been recorded. Tested, on sample basis, credit notes issued and payments made as per customer contracts/ agreed price negotiations Performed analytical procedures to identify any unusual trends and identify unusual items for further testing.

Other Information

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

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and joint ventures and for preventing

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and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint ventures are responsible for assessing the ability of the Group and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and joint ventures are also responsible for overseeing the financial reporting process of the Group and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of six subsidiaries, whose financial statements include total assets of ₹ 22,927 lakhs as at March 31, 2021, and total income of ₹ 16,397 lakhs and net cash (inflows) of ₹ (648.64 lakhs) for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net (loss) of ₹ (9.33 lakhs) for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of one joint venture and one joint venture of subsidiary Company, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We and the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies and joint ventures, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls with

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reference to consolidated financial statements of the Holding Company and its subsidiary companies and joint ventures, incorporated in India, refer to our separate Report in "Annexure 1" to this report;

- (g) In our opinion the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Holding Company and one of its subsidiary to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act. Further, this clause does not apply to the remaining seven subsidiaries and joint ventures of the Company.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint ventures

in its consolidated financial statements – refer note 40(b) to the consolidated financial statements;

- ii. The Group and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures, incorporated in India during the year ended March 31, 2021.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra

Partner

Membership Number: 094421

UDIN: 21094421AAAACL2156

Place of Signature: New Delhi

Date: June 12, 2021

Annexure 1 To the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Lumax Auto Technologies Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of Lumax Auto Technologies Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") , and it's joint ventures, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the companies included in the Group and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan

and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention

Annexure 1 To the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Lumax Auto Technologies Limited (Contd.)

or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Group and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to these six subsidiaries and one joint ventures and one joint venture of subsidiary company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries and joint ventures incorporated in India. Further, the auditors of three subsidiaries and one joint venture company have not issued report on adequacy and operating effectiveness of the internal control over financial reporting as they are of view that these companies are exempt with respect to reporting requirement on internal financial control over financial reporting vide MCA notification no. G.S.R. 583(E) dated June 13, 2017 hence, the same is not covered by us in our report on internal financial controls over financial reporting.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra

Partner

Membership Number: 094421

UDIN: 21094421AAAAACL2156

Place of Signature: New Delhi

Date: June 12, 2021

Consolidated Balance Sheet

As at March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
I. Non-current assets			
Property, plant and equipment	3(a)	33,153.91	30,742.38
Capital work in progress	3(b)	932.86	2,074.02
Intangible assets	4	333.06	195.12
Goodwill	4	16.64	16.64
Right-to-use assets	5	2,810.32	2,733.67
Investment property	6	1,758.51	1,815.92
Investment in Joint ventures	7	102.45	75.17
Income tax assets(net)	8	46.13	322.02
Financial assets			
- Investments	9	8,940.14	5,014.16
- Loans	10	623.37	581.11
- Other financial assets	11	-	150.00
Deferred tax assets (net)	12	8.54	99.92
Other non-current assets	13	1,566.74	1,660.04
Total non current assets	(A)	50,292.67	45,480.17
II. Current assets			
Inventories	15	8,358.76	6,442.61
Financial assets			
- Investments	9	4,034.91	1,130.70
- Loans	10	60.08	81.32
- Trade receivables	16	22,298.19	19,277.49
- Cash and cash equivalents	17	1,665.77	3,695.76
- Other bank balances	18	8,130.47	6,666.05
- Other financial assets	11	1,267.65	195.30
Other current assets	13	2,857.37	2,793.82
		48,673.20	40,283.05
Assets classified as held for sale	14	-	366.22
Total current assets	(B)	48,673.20	40,649.27
Total Assets	(A+B)	98,965.87	86,129.44
EQUITY AND LIABILITIES			
I. Equity			
Equity share capital	19	1,363.15	1,363.15
Other equity	20	51,708.74	43,252.61
Total equity	(A)	53,071.89	44,615.76
Non controlling interest		4,036.62	4,214.07
Liabilities			
II. Non-current liabilities			
Financial liabilities			
- Borrowings	21	552.42	1,676.23
Other non-current liabilities	23	1,868.26	2,135.46
Employee benefit Liabilities	22	630.65	545.55
Deferred tax liabilities (net)	12	1,405.82	1,372.26
Total Non Current Liabilities	(B)	4,457.15	5,729.50
III. Current liabilities			
Financial liabilities			
- Borrowings	21	4,684.45	7,152.41
- Trade payables	24		
- total outstanding dues of micro and small enterprises		2,285.71	885.97
- total outstanding dues of creditors other than micro and small enterprises		18,192.88	14,853.38
- Other financial liabilities	25	5,256.70	3,916.15
Employee benefit Liabilities	22	1,544.01	1,188.27
Other current liabilities	23	5,169.38	3,573.93
Current tax liabilities (Net)	8	267.08	-
Total Current Liabilities	(C)	37,400.21	31,570.11
Total Liabilities		41,857.36	37,299.61
Total Equity and Liabilities	(A+B+C)	98,965.87	86,129.44

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

As per our report of even date

S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per **Vikas Mehra**

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

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

D.K. Jain

Chairman

DIN: 00085848

Ashish Dubey

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

Anmol Jain

Managing Director

DIN: 00004993

Anil Tyagi

Company Secretary

Membership No. A16825

Vikas Marwah

Chief Executive Officer

DIN: 08705643

Consolidated Statement of Profit & Loss

For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Continuing Operations			
I			
Revenue from contracts with customers	26	1,10,792.85	1,14,091.38
II			
Other income	27	1,818.47	1,810.15
III Total income		1,12,611.32	1,15,901.53
IV Expenses			
Cost of raw material and components consumed	28	58,522.41	60,082.54
Cost of moulds consumed	29	1,151.02	1,987.73
Purchases of traded goods	28(a)	15,861.99	15,484.12
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	30	(461.17)	(315.60)
Employee benefits expense	31	13,240.56	13,477.81
Finance costs	32	982.17	956.24
Depreciation and amortization expense	33	3,415.14	3,450.92
Other expenses	34	12,676.66	14,279.39
V Total expenses		1,05,388.78	1,09,403.15
VI Profit before share of joint ventures, exceptional items and tax from continuing operations (III-V)		7,222.54	6,498.38
VII			
Share of (loss) of Joint Ventures		(9.33)	(30.10)
VIII Profit before exceptional items and tax from continuing operations		7,213.21	6,468.28
Exceptional Item	35	(63.00)	-
IX Profit before tax from continuing operations		7,150.21	6,468.28
X Tax expense:			
Current tax	12	1,958.93	1,988.12
Adjustment of tax relating to earlier years	12	(49.23)	(50.01)
Deferred tax	12	125.10	(570.27)
Total tax expense		2,034.80	1,367.84
XI Profit for the year from continuing operations (IX - X)		5,115.41	5,100.44
Discontinued operations			
Profit before tax for the period / year from Discontinued operations		-	948.58
Less: Tax expenses of discontinued operations		-	123.29
XII Profit for the year from discontinued operations		-	825.29
XIII Profit for the year (XI + XII)		5,115.41	5,925.73
XIV Other comprehensive income			
Other comprehensive income not to be reclassified to statement of profit or loss in subsequent period			
Re-measurement (loss) on defined benefit plans	36	(73.03)	(29.14)
Income tax effect	36	7.82	7.24
Gain/(Loss) on FVTOCI equity securities	36	3,925.98	(5,113.50)
Income tax effect	36	(7.66)	48.87
XV Other comprehensive income/(loss) for the year, net of tax		3,853.11	(5,086.53)
XVI Total comprehensive income of the year (Comprising net profit for the year and other comprehensive income/(loss))		8,968.52	839.20
XVII Profit attributable to:			
a) Owners of Lumax Auto Technologies Limited			
- Profit for the period/year from Continuing operations		4,712.96	4,978.60
- Profit for the period/year from Discontinued operations		-	825.29
		4,712.96	5,803.89
b) Non- controlling interests			
- Profit for the period/year from Continuing operations		402.45	121.84
- Profit for the period/year from Discontinued operations		-	-
		402.45	121.84

Consolidated Statement of Profit & Loss

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Notes	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
c) Total Profit attributable to: (a+b)			
- Profit for the period/year from Continuing operations		5,115.41	5,100.44
- Profit for the period/year from Discontinued operations		-	825.29
		5,115.41	5,925.73
XVIII Other comprehensive income / (Loss) attributable to:			
a) Owners of Lumax Auto Technologies Limited			
- Other comprehensive income/(loss) for the period/year from continuing operations		3,858.23	(5,093.40)
- Other comprehensive income/(loss) for the period/year from discontinued operations		-	-
		3,858.23	(5,093.40)
b) Non- controlling interests			
- Other comprehensive (loss)/income for the period/ year from continuing operations		(5.12)	6.87
- Other comprehensive (loss)/income for the period/year from discontinued operations		-	-
		(5.12)	6.87
c) Total other comprehensive income (a+b)			
- Other comprehensive income/(loss) for the period/year from continuing operations		3,853.11	(5,086.53)
- Other comprehensive income/(loss) for the period/year from discontinued operations		-	-
		3,853.11	(5,086.53)
XIX Total comprehensive income / (Loss) attributable to:			
a) Owners of Lumax Auto Technologies Limited		8,571.19	710.49
b) Non- controlling interests		397.33	128.71
XX Earnings per share (per share of face value ₹ 2 each) :			
Earnings per share for continuing operation :	37	6.91	7.30
- Basic and Diluted			
Earnings per share for discontinued operation :	37	-	1.21
- Basic and Diluted			
Earnings per share for continuing and discontinued operation :	37	6.91	8.52
- Basic and Diluted			

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

As per our report of even date

S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per Vikas Mehra

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

Lumax Auto Technologies Limited

D.K. Jain

Chairman

DIN: 00085848

Ashish Dubey

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

Anmol Jain

Managing Director

DIN: 00004993

Anil Tyagi

Company Secretary

Membership No. A16825

Vikas Marwah

Chief Executive Officer

DIN: 08705643

Consolidated Cash Flow Statement

For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Cash Flow from Operating Activities		
Profit before tax from continuing operations	7,150.21	6,468.28
Profit before tax from discontinued operations	-	948.58
Non-cash adjustments:		
Adjustment to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	2,754.18	2,422.72
Amortization of intangible assets	77.95	79.00
Amortization of Right to use assets	525.60	891.78
Depreciation on investment properties	57.41	57.41
(Profit) on sale of Property, plant and equipment	(258.03)	(18.25)
Dividend Income	(31.51)	(282.13)
Liabilities no longer required, written back	(184.12)	(197.63)
Share of loss of joint ventures	9.33	30.10
Provision for doubtful debt	46.68	105.10
Outstanding Balance written off	1.20	56.77
Unrealized exchange (gain)/loss	(22.25)	42.08
Rent income	(244.78)	(202.31)
Interest income	(411.91)	(445.65)
Interest expenses	982.17	956.24
Unrealized (gain)/loss on investment in mutual fund	(182.53)	103.00
Operating profit before working capital changes	10,269.60	11,015.09
Movements in working capital :		
(Increase)/Decrease in trade receivables	(3,079.41)	8,330.12
(Increase) in financial assets	(1,042.23)	(213.24)
Decrease/ (Increase) in other assets	114.68	(1,495.97)
(Increase) in inventories	(1,916.15)	(491.27)
Increase/ (Decrease) in trade payable and other payable	4,957.64	(10,689.23)
Increase in current liabilities, provisions and financial liability	1,967.74	3,152.18
Cash generated from operations	11,271.87	9,607.68
Direct taxes paid	(1,452.86)	(1,985.49)
Net cash generated from operating activities (A)	9,819.01	7,622.19
Cash flows from investing activities		
Purchase of fixed assets (including capital work in progress and capital advances)	(4,299.16)	(3,545.21)
Proceeds from sale of property plant and equipment	80.71	2,238.91
Non - Controlling Interest	70.06	326.00
Dividend income	31.51	282.13
Investment in Joint ventures	(36.61)	(59.46)
(Purchase) / Redemption of mutual fund	(2,721.44)	814.98
Realized Gain on investment in mutual fund	(0.24)	(197.58)
Investment in bank deposits	(1,464.42)	(3,617.93)
Rent received	244.78	202.31
Interest received	510.77	362.74
Net cash (used in) investing activities (B)	(7,584.04)	(3,193.11)

Consolidated Cash Flow Statement

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Cash flows from financing activities		
Proceeds from long term borrowings (net)	212.43	853.49
(Repayment) of / Proceeds from short term borrowings (net)	(2,467.96)	1,332.60
Dividend paid (including tax thereon)	(759.89)	(4,580.43)
Interest paid	(982.91)	(939.84)
Payment of principal portion of lease liabilities	(266.63)	-
Net cash (used in) financing activities (C)	(4,264.96)	(3,334.18)
Net (decrease)/ increase in cash and cash equivalents (A + B + C)	(2,029.99)	1,094.90
Cash and cash equivalents at the beginning of the year	3,695.76	2,600.86
Cash and cash equivalents at the end of the year	1,665.77	3,695.76
Components of cash and cash equivalents		
Cash on hand	12.15	10.59
Balance with banks		
- On current accounts	1,193.62	3,138.94
- Deposits with original maturity of less than three months	460.00	546.23
Total cash and cash equivalents (refer note 17)	1,665.77	3,695.76

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

As per our report of even date

S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per Vikas Mehra

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

Lumax Auto Technologies Limited

D.K. Jain

Chairman

DIN: 00085848

Ashish Dubey

Chief Financial Officer

Place : New Delhi

Date : June 12, 2021

Anmol Jain

Managing Director

DIN: 00004993

Anil Tyagi

Company Secretary

Membership No. A16825

Vikas Marwah

Chief Executive Officer

DIN: 08705643

Consolidated Statement of Changes in Equity

For the year ended March 31, 2021

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Share Capital (1)	Other Equity					Minority Interests	Total Equity (+2)
		Retained Earnings	Capital Reserve	Securities Premium	General Reserve	FVTOCI Reserve		
As at March 31, 2019	1,363.15	32,368.55	289.31	4,528.55	1,726.40	7,738.38	4,231.41	48,014.34
Add: Profit for the year	-	5,803.89	-	-	-	-	121.84	5,803.89
Add: Other comprehensive income/(loss)	-	(21.90)	-	-	-	(5,071.50)	6.87	(5,093.40)
Add: Transfers	-	-	-	-	-	(0.70)	326.00	(0.70)
Less: Dividend Paid	-	(3,407.87)	-	-	-	-	(391.56)	(3,407.87)
Less: Dividend Distribution Tax	-	(700.50)	-	-	-	-	(80.49)	(700.50)
As at March 31, 2020	1,363.15	34,042.18	289.31	4,528.55	1,726.40	2,666.18	4,214.07	44,615.76
Add: Profit for the year	-	4,712.96	-	-	-	-	402.45	4,712.96
Add: Other comprehensive income/(loss)	-	(60.09)	-	-	-	3,918.32	(5.12)	3,858.23
Add: Acquisition/Adjustments	-	534.47	32.05	-	-	-	(496.46)	566.52
Less: Dividend Paid	-	(681.58)	-	-	-	-	(78.31)	(681.58)
As at March 31, 2021	1,363.15	38,547.94	321.36	4,528.55	1,726.40	6,584.50	4,036.62	53,071.89

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

As per our report of even date

S. R. Battiboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E3000005

per Vikas Mehra

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

Lumax Auto Technologies Limited

D.K. Jain

Chairman

DIN: 00085848

Ashish Dubey

Chief Financial Officer

Anmol Jain

Managing Director

DIN: 00004993

Anil Tyagi

Company Secretary

Membership No. A16825

Vikas Marwah

Chief Executive Officer

DIN: 08705643

Notes to Consolidated financial statements

For the year ended March 31, 2021

1. CORPORATE INFORMATION

The Consolidated financial statements comprise financial statements of Lumax Auto Technologies Limited (the Holding Company) its subsidiaries (collectively, the Group) and Joint ventures for the year ended March 31, 2021. The Holding Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognized stock exchanges in India. The registered office of the Group is located at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046.

The Group is principally engaged in the manufacturing of automotive components. Information on the Group's structure is provided in note 38. Information on other related party relationships of the Group is provided in note 41.

The financial statements were authorized for issue in accordance with a resolution of the directors on June 12, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) financial statements.

These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) as applicable to the financial statement.

The consolidated financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities which have been measured at fair value or revalued amount (refer accounting policy regarding financial instruments).

The consolidated Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest Lakhs (₹ 00,000), except wherever otherwise stated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries and its joint venture as at March 31, 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on March 31, 2021.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

Consolidation procedure:

- a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b. Offset (eliminate) the carrying amount of the Holding Company investment in each subsidiary and the Holding Company portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- d. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- e. Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Unrealized gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

2.3 Summary of significant accounting policies

A. Investment in subsidiaries and Joint Venture

The investment in subsidiary and Joint venture are carried at cost as per IND AS 27. The Group regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Group controls an investee if and only if it has all the following:

- (a) power over the investee,
- (b) exposure, or rights, to variable returns from its involvement with the investee, and
- (c) the ability to use its power over the investee to affect the amount of the returns.

Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

B. Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

All other liabilities are classified as non-current.

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

Operating cycle

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

C. Foreign currencies

Functional and presentational currency

The Group's financial statements are presented in Indian Rupees (₹) which is also the Group's functional currency.

Transactions and balances

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

D. Property, plant and equipment

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

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

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

Depreciation on property, plant and equipment

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

Assets	Useful Lives estimated by the management (in years)
Lease hold land	99
Factory Building	30
Other Building	30 to 60
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	5
Electrical Installation	10

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

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

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

Leasehold land and leasehold improvement are amortized on a straight line basis over the period of lease term.

The residual value of property, plant and equipment is considered at 2%.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

E. Intangible assets

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Amortization and useful lives

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and amortization method of the intangible asset with a useful finite life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another assets.

Intangible Assets	Estimated Useful Life (Years)
Computer Software	Over the estimated economic useful lives of 4 years
Technical Know-how	Over the period of Technical Assistance Agreement i.e. 8 years

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gain or loss arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

F. Investment Property

Property that is held for long term rental yields or for capital appreciation or for both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction cost and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalized to assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. When significant parts of investment property are required to be replaced at intervals, the Group depreciates them separately based on their respective useful lives. All other repair and maintenance cost are expensed when incurred.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an external independent valuer applying a valuation model as per Ind AS 113 "Fair value measurement". Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Investment properties are depreciated using straight line method over their estimated useful life.

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

Transfer of property from investment property to the property, plant and equipment is made when the property is no longer held for long term rental yields or for capital appreciation or both at carrying amount of the property transferred.

G. Borrowing costs

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

H. Leases

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

Group as a lessee

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

i. Right-to-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Land & Building: 2-12 years

Solar Power: 15 years

If ownership of the leased asset is transferred to the Group at the end of the lease term and a purchase option is exercised, depreciation is calculated using the estimated useful life of the asset.

The right-to-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

ii. Lease Liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

I. Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realizable value.

The basis of determining costs for various categories of inventories is as follows:

- **Raw materials, components, stores and spares:** Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted moving average basis.
- **Work-in-progress and finished goods:** Cost includes direct material plus appropriate share of labour, manufacturing overheads based on normal operating capacity. Cost is determined on a weighted moving average basis.
- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Stores and spares which do not meet the definition of Property, plant and equipment are accounted as inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Scraps are valued at net realizable value.

The net realizable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of finished goods are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed its net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.

J. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss.

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

K. Revenue from contracts with customers

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

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

L. Sale of goods

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

Revenue is measured by the Group at the transaction price i.e. amount of consideration received/ receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of

products, the Holding Company considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors

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

Schemes

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

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

M. Interest Income

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

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

N. Dividend Income

Dividend is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

O. Rental Income

Rental income arising from operating leases are accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

P. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption

of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Q. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Group operates defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

- a) The date of the plan amendment or curtailment, and
- b) The date that the Group recognizes related restructuring costs.

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

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

R. Provisions

General

A provision is recognized when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognizes any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Warranties:

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

S. Taxes

Current income tax

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

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

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

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

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

T. Cash and cash equivalents

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

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

U. Earnings per share (EPS)

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

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

V. Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the Group.

W. Cash dividend to equity holders of the parent

The Group recognizes a liability to make cash dividend to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

X. Segment reporting

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. Chief operating decision makers reviews the performance of the Company according to the nature of business of the Company which includes manufacturing and selling of automobile components. Accordingly, the Company has only one primary segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

Y. Assets held for sale

The Group classifies current and non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-

current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated,
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortized.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Additional disclosures are provided in note 14. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

Z. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred

between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and significant liabilities, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents, if any

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Quantitative disclosure of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

AA. Financial instruments

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

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost (debt instruments)

A financial asset is measured at the amortized cost if both the following conditions are met

- (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value changes recognized in OCI is reclassified from the equity to profit or loss.

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognized in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognized in the statement of profit and loss when the right of payment has been established.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the Group's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial Liabilities

Initial recognition and measurement

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

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

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

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortized cost
- Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at Amortized cost

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

De-recognition

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

Offsetting of financial instruments

Financial assets and liabilities are offset and the amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group

senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

AB. Impairment of financial assets

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

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

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

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

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

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

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

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

AC. Business Combination

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefit is not probable.

Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies.
- The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

2.4 New and amended standards

i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after April 01, 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after April 01, 2019. This amendment had no impact on the standalone financial statements of the Group.

ii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the Consolidated financial statements of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after April 01, 2020. The amendments to the definition of material are not expected to have a significant impact on the Group's Consolidated financial statements.

2.5 Standards issued but not effective

There are no standards that are issued but not yet effective on March 31, 2021.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

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

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

	As at March 31, 2021	As at March 31, 2020
Land	2,936.30	3,420.14
Buildings	8,324.71	8,539.72
Lease Hold Improvement	243.28	69.12
Plant and Equipments	20,105.09	17,147.84
Furniture and Fixtures	881.93	867.57
Office Equipments	289.89	275.96
Vehicles	196.81	314.04
Computers	175.89	107.98
Total	33,153.91	30,742.38

3(b) Capital work in progress

The details of capital work in progress:

	As at March 31, 2021	As at March 31, 2020
Capital work in progress	932.86	2,074.02
Total	932.86	2,074.02

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

3.1 Property, plant and equipment

Cost or valuation	Land **	Buildings#	Lease Hold Improvement	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Computers	Total
As at April 01, 2019	1,857.17	10,009.82	76.20	30,169.02	1,029.28	600.04	1,135.28	663.30	45,540.11
Additions	1,636.25	429.04	16.59	2,421.66	235.77	98.10	33.67	50.37	4,921.45
Disposals	-	-	-	(227.96)	(4.81)	(8.85)	(53.02)	(34.43)	(329.07)
As at March 31, 2020	3,493.42	10,438.86	92.79	32,362.71	1,260.24	689.29	1,115.93	679.25	50,132.49
Additions	-	114.93	223.78	4,990.56	124.08	99.53	27.89	144.92	5,725.69
Disposals	-	(68.63)	-	(74.41)	(3.10)	(1.92)	(41.36)	(2.24)	(191.66)
Adjustment *	(557.12)	-	10.60	-	-	-	-	-	(546.52)
As at March 31, 2021	2,936.30	10,485.16	327.17	37,278.86	1,381.22	786.90	1,102.46	821.93	55,120.00
Depreciation and impairments									
As at April 01, 2019	67.19	1,646.85	1.99	13,266.68	285.65	349.36	669.68	532.65	16,820.05
Depreciation Charge for the year	6.09	252.29	21.68	2,163.42	109.69	72.21	181.62	72.00	2,879.00
Disposal	-	-	-	(209.28)	(2.67)	(8.24)	(49.41)	(33.39)	(302.98)
Adjustment	-	-	-	(5.96)	-	-	-	-	(5.96)
As at March 31, 2020	73.28	1,899.14	23.67	15,214.86	392.67	413.33	801.89	571.26	19,390.11
Depreciation Charge for the year	6.09	261.94	49.81	2,028.31	109.72	85.60	135.74	76.97	2,754.18
Disposal	-	(0.63)	-	(69.41)	(3.10)	(1.92)	(31.98)	(2.20)	(109.24)
Adjustment *	(79.37)	-	10.41	-	-	-	-	-	(68.96)
As at March 31, 2021	-	2,160.45	83.89	17,173.76	499.29	497.01	905.65	646.03	21,966.09
Net Block									
As at March 31, 2021	2,936.30	8,324.71	243.28	20,105.09	881.93	289.89	196.81	175.89	33,153.91
As at March 31, 2020	3,420.14	8,539.72	69.12	17,147.84	867.57	275.96	314.04	107.98	30,742.38
As at April 01, 2019	1,789.98	8,362.97	74.21	16,902.34	743.63	250.68	465.60	130.65	28,720.06

*Adjustment on account of Ind AS 116 "Leases", there is no impact on statement of profit and loss accounts.

** Block of Land as at March 31, 2021 represents Freehold Land

Buildings includes non factory buildings

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

4. INTANGIBLE ASSETS

a) Details of intangible assets:

	As at March 31, 2021	As at March 31, 2020
Intangible assets		
- Computer software	208.74	194.58
- Technical Know How	124.33	0.54
Total	333.06	195.12

b) Disclosures regarding gross block of intangible assets, accumulated amortization and net block:

	Computer Software	Technical Know How	Total
Cost			
At April 01, 2019	737.68	186.52	924.20
Add: Additions	141.71	-	141.71
Less: Disposals	(55.54)	-	(55.54)
At March 31, 2020	823.85	186.52	1,010.37
Add: Additions	82.91	132.99	215.90
Less: Disposals	(1.42)	-	(1.42)
At March 31, 2021	905.34	319.51	1,224.85
Amortization			
At April 01, 2019	603.05	185.26	788.31
Add: Amortization charge for the year	78.27	0.72	78.99
Less: Disposals	(52.05)	-	(52.05)
At March 31, 2020	629.27	185.98	815.25
Add: Amortization charge for the year	68.75	9.20	77.95
Less: Disposals	(1.42)	-	(1.42)
At March 31, 2021	696.61	195.18	891.79
Net book value			
At March 31, 2021	208.74	124.33	333.06
At March 31, 2020	194.58	0.54	195.12
At April 01, 2019	134.63	1.26	135.89

c) Details of Goodwill:

	As at March 31, 2021	As at March 31, 2020
Goodwill	16.64	16.64
Total	16.64	16.64

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

5. RIGHT-TO-USE ASSETS

(i) The Group's lease asset primarily consist of leases for land and buildings and Solar Power Plant of various lease terms. Effective April 01, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognized.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(ii) Set out below are the carrying amounts of right-to-use assets recognized and the movements during the year:

	Land	Solar Power Plant	Land and Building	Total
Cost				
At April 01, 2019	-	230.60	1,366.71	1,597.31
Add: Additions	-	205.84	1,366.00	1,571.83
At March 31, 2020	-	436.44	2,732.71	3,169.15
Add: Additions	-	-	136.02	136.02
Less: Disposals	-	-	(34.10)	(34.10)
Adjustments*	546.52	-	-	546.52
At March 31, 2021	546.52	436.44	2,834.63	3,817.59
Amortization				
At April 01, 2019	-	-	-	-
Add: Amortization charge for the year	-	20.98	414.50	435.48
Less: Disposals	-	-	-	-
At March 31, 2020	-	20.98	414.50	435.48
Add: Amortization charge for the year	-	29.09	496.51	525.60
Less: Disposals	-	-	(22.77)	(22.77)
Adjustments*	68.96	-	-	68.96
At March 31, 2021	68.96	50.07	888.24	1,007.27
Net book value				
At March 31, 2021	477.56	386.37	1,946.39	2,810.32
At March 31, 2020	-	415.46	2,318.21	2,733.67
At April 01, 2019	-	230.60	1,366.71	1,597.31

*Adjustment on account of Ind AS 116 "Leases", there is no impact on statement of profit and loss accounts.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

(iii) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2021:

	Solar Power Plant	Land and Building	TOTAL
Cost			
At April 01, 2019	230.60	1,366.71	1,597.31
Add: Additions	205.84	1,365.99	1,571.83
Add : Finance cost accrued during the year	1.08	198.18	199.26
Less: Payment of lease liabilities	(17.10)	(482.06)	(499.16)
At March 31, 2020	420.42	2,448.82	2,869.24
Add: Additions	-	136.02	136.02
Add : Finance cost accrued during the year	6.33	196.33	202.67
Less: Disposals	-	(11.33)	(11.33)
Less: Payment of lease liabilities	(22.70)	(571.28)	(593.98)
At March 31, 2021	404.05	2,198.57	2,602.62
Current	24.54	709.82	734.36
Non Current	379.51	1,488.75	1,868.26

(iv) The weighted average incremental borrowing rate applied to lease liabilities as at April 01, 2019 is 8.66% p.a.

(v) The following are the amounts recognized in profit or loss:

	As at March 31, 2021	As at March 31, 2020
Depreciation expense of right-to-use assets	525.60	435.48
Interest expense on lease liabilities	202.67	199.26
Expense relating to short-term leases (included in other expenses)	226.51	238.90
Total amount recognized in profit or loss	954.78	873.64

(vi) The Group had total cash outflows for leases of ₹ 593.98 lakhs for the year ended March 31, 2021 (March 31, 2020 ₹ 499.16 lakhs).

(vii) **Extension and termination options :** Extension and termination options are included in property lease agreements. These are used to maximize operational flexibility in terms of managing the assets used in the Group's operations. Extension and termination options held are exercisable only by the Group and not by the lessor. Extension options have not been included in the lease term as exercising this option is currently not reasonably certain.

(viii) **Variable lease payments :** Some property leases contain variable payment terms with payments that are based on actual expenses incurred by the lessor for operation and maintenance of the facility. These expenses could not be measured reliable as on the date of inception of the contract and hence have not been included in calculation of the lease liability. These expenses are charged to the statement of profit and loss as and when they are incurred.

(ix) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

6. INVESTMENT PROPERTY

	Freehold Land	Buildings	Total
Gross carrying amount			
At April 01, 2019	594.63	1,694.95	2,289.58
Additions / (Deductions)	-	-	-
At March 31, 2020	594.63	1,694.95	2,289.58
Additions / (Deductions)	-	-	-
At March 31, 2021	594.63	1,694.95	2,289.58
Depreciation and Impairments			
At April 01, 2019	-	416.25	416.25
Depreciation Charge for the year	-	57.41	57.41
At March 31, 2020	-	473.66	473.66
Depreciation Charge for the year	-	57.41	57.41
At March 31, 2021	-	531.07	531.07
Net Block			
At March 31, 2021	594.63	1,163.88	1,758.51
At March 31, 2020	594.63	1,221.29	1,815.92
Fair Value of Investment Property			
At March 31, 2021			4,469.19
At March 31, 2020			4,466.67

i) Amount recognized in statement of profit and loss from investment property

	As at March 31, 2021	As at March 31, 2020
Rental Income*	527.38	453.55
Direct operating expenses (including repairs and maintenance) from property that generated rental Income	(1.10)	(32.89)
Profit from Investment property before depreciation	526.28	420.66
Depreciation	57.41	57.41
Profit from Investment property	468.87	363.25

*The amount of rental income includes income from subsidiary and the same has been eliminated in the consolidated financials statement and hence no income from subsidiary investment property has been credited to the statement of profit and loss.

ii) Contractual obligations

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

iii) Estimation of Fair Value

Fair value investment property is ascertained on the basis of market rates as determined by the independent registered valuer. Fair value hierarchy disclosures for investment properties have been provided in note 46.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

iv) Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Technique
Land and Building situated at Plot No. 69, Bidadi Industrial area, 2 nd Phase, Sector-2, Sy. No (s): Parts of 32, 56 to 59, Bidadi Hobli, Ramanagara Taluka, District Ramanagara, Bangalore, Karnataka - 562109. Land Area - 15484 sq mt Land Value - ₹ 1006.46 lakhs Building built up area - 7132.15 sq mt Building Value - ₹ 1637.54 lakhs Valuer Name: Vikrant Bhatia (Prop. Symmetrix- The Design Studio)	Market Rate
Land and Building situated at Plot No. 164, Sector-5, IMT Manesar Gurgaon-122050, Haryana. Land Area - 5400 sq mt Land Value - ₹ 1323 lakhs Building built up area - 2487.41 sq mt Building Value - ₹ 502.19 lakhs Valuer Name: Vikrant Bhatia (Prop. Symmetrix- The Design Studio)	Market Rate

7. INVESTMENT IN JOINT VENTURES

Details of Investment

	As at March 31, 2021	As at March 31, 2020
Investment in Joint ventures		
<i>Unquoted, valued at cost</i>		
Sipal Engineering Private Limited	76.26	51.77
7.19 lakhs (As at March 31, 2020 - 7.19 lakhs) equity shares of ₹ 10 each fully paid up		
Lumax Ituran Telematics Private Limited	26.19	23.40
12.96 lakhs (As at March 31, 2020 - 9.30 lakhs) equity shares of ₹ 10 each fully paid up		
Total	102.45	75.17

8. CURRENT/NON CURRENT TAX ASSETS/LIABILITIES - NET

	As at March 31, 2021	As at March 31, 2020
Non Current tax asset	46.13	322.02
Current tax liabilities	267.08	-
Current tax liabilities (net)	267.08	-
Non Current tax assets (net)	46.13	322.02

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

9. INVESTMENTS

	As at March 31, 2021	As at March 31, 2020
A. Non Current Investments		
<i>Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*</i>		
Lumax Industries Limited	8,436.49	4,554.64
5.25 lakhs (As at March 31, 2020 - 5.25 lakhs) equity shares of ₹ 10 each fully paid up		
<i>Investment in equity instruments (Unquoted)</i>		
Lumax Ancillary Limited	503.65	459.52
3.00 lakhs (As at March 31, 2020 - 3.00 lakhs) equity shares of ₹ 10 each fully paid up		
	8,940.14	5,014.16
B. Current investments**		
<i>Investment in Mutual funds</i>		
SBI Liquid Fund Direct Growth	2,993.29	268.67
0.93 lakhs units (As at March 31, 2020 - 0.09 lakhs units)		
AXIS Liquid Fund Growth	518.10	500.16
0.23 lakhs units (As at March 31, 2020 - 0.23 lakhs units)		
SBI Saving Fund Direct Plan Growth	514.73	-
15.05 lakhs units (As at March 31, 2020 - NIL)		
SBI Overnight Fund Direct Growth	0.12	-
0.00004 lakhs units (As at March 31, 2020 - NIL)		
<i>Investment in Equity Instruments</i>		
AXIS Bank Limited	-	45.48
NIL (As at March 31, 2020 - 0.12 lakhs) equity shares of ₹ 2 each fully paid up		
ICICI Bank Limited	-	61.51
NIL (As at March 31, 2020 - 0.19 lakhs) equity shares of ₹ 2 each fully paid up		
Larsen & Toubro Limited	-	60.64
NIL (As at March 31, 2020 - 0.08 lakhs) equity shares of ₹ 2 each fully paid up		
Oil and Natural Gas Corporation Limited	-	78.55
NIL (As at March 31, 2020 - 1.15 lakhs) equity shares of ₹ 5 each fully paid up		
Reliance Industries Limited	8.67	72.39
0.004 lakhs partly paid up (As at March 31, 2020 - 0.07 lakhs fully paid up) equity shares of ₹ 10 each		
State Bank of India	-	43.31
NIL (As at March 31, 2020 - 0.22 lakhs) equity shares of ₹ 1 each fully paid up		
	4,034.91	1,130.70
Current	4,034.91	1,130.70
Non- current	8,940.14	5,014.16
Aggregate Market value of Quoted Investments (refer note 46)	12,471.40	5,685.34
Aggregate value of unquoted Investments (refer note 46)	503.65	459.52

Non- current Investments

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

Current Investments

**Investment in current investments, the group has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Fair value through profit or loss (FVTPL).

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

10. LOANS

	As at March 31, 2021	As at March 31, 2020
(Unsecured and considered good unless otherwise stated)		
Non Current		
Loans		
Loan to Employees	11.26	12.19
Security Deposit	612.11	568.92
Total (A)	623.37	581.11
Current		
Loans		
Security Deposit	2.18	2.18
Loan to Employees	57.90	79.14
Total (B)	60.08	81.32
Total (A+B)	683.45	662.43
Current	60.08	81.32
Non- current	623.37	581.11

11. OTHER FINANCIAL ASSETS

	As at March 31, 2021	As at March 31, 2020
(Unsecured and considered good unless otherwise stated)		
Non- current		
Deposits with remaining maturity for more than 12 months	-	150.00
Total (A)	-	150.00
Current		
Unbilled revenue*	1,151.78	-
Interest accrued but not due	60.06	158.92
Other recoverables**	55.81	36.38
Total (B)	1,267.65	195.30
Total (A+B)	1,267.65	345.30
Current	1,267.65	195.30
Non- Current	-	150.00

* Includes ₹ 1151.78 lakhs (March 31, 2020, ₹ NIL) computed on the basis of a price revision claim with customers who has confirmed the same.

** Other recoverables included recoverable from Related Parties of ₹ 0.09 lakhs (March 31, 2020, ₹ NIL) (Also refer note 41)

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Break up of financial assets carried at amortized cost:

	As at March 31, 2021	As at March 31, 2020
Loans (refer note 10)	69.16	91.34
Trade receivables (refer note 16)	22,298.19	19,277.49
Cash and cash equivalents (refer note 17)	1,665.77	3,695.76
Other bank balance (refer note 18)	8,130.47	6,666.05
Other financial assets (refer note 11)	1,267.65	345.30
Security deposit (refer note 10)	614.29	571.10
Total	34,045.53	30,647.04

12. INCOME TAX

(a) The major components of income tax expense for the years ended are:

Statement of profit and loss:

	As at March 31, 2021	As at March 31, 2020
Current income tax:		
Current income tax charge on continuing operations	1,958.93	1,988.12
Current income tax charge on discontinued operations	-	123.29
Adjustments in respect of current income tax of previous year	(49.23)	(50.01)
Deferred tax:		
Relating to origination and reversal of temporary differences	125.10	(570.27)
Income tax expense reported in the statement of profit or loss	2,034.80	1,491.13

(b) OCI section

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

	As at March 31, 2021	As at March 31, 2020
Tax effect on loss on remeasurements of defined benefit plans	7.82	7.24
Tax effect on (gain)/loss on financial assets	(7.66)	48.87
Income tax charged to Other Comprehensive Income	0.16	56.11

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021 and March 31, 2020

	As at March 31, 2021	As at March 31, 2020
Accounting profit before income tax for continuing operations	7,221.95	6,858.90
Accounting profit before income tax for discontinued operations	-	948.58
At India's statutory income tax rate of 25.168% (March 31, 2020: 25.168%)	2,009.14	2,177.47
Non-deductible expenses for tax purposes:		
Permanent differences	53.01	78.60
Dividend (Dividend Income exempt u/s 10(34))	(32.02)	(191.45)
Others	7.33	(79.53)
Difference in tax rate	(2.66)	(493.96)
At the effective income tax rate of 28.18 % (March 31, 2020: 19.10 %)	2,034.80	1,491.13
Income tax expense reported in the statement of profit and loss for continuing operations	2,034.80	1,367.84
Income tax expense reported in the statement of profit and loss for discontinued operations	-	123.29

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

d) Deferred tax:

	Balance sheet	
	As at March 31, 2021	As at March 31, 2020
Deferred tax assets relates to the following :		
Impact of expenditures charged to statement of profit and loss but allowed for tax purposes on payment basis	568.34	466.01
Impact of impairment allowance for doubtful debts	49.38	49.19
Deferred tax on right to use asset (net)	71.25	21.36
Others (including brought forward losses)	40.92	138.45
	729.89	675.01
Deferred tax liability relates to the following :		
Accelerated depreciation for tax purposes	2,020.33	1,984.83
Un-realized gain/(loss) on Mutual Fund	28.87	(17.16)
	2,049.20	1,967.67
Deferred Gain on financial assets	86.51	79.60
Total deferred tax liability (Net)	1,405.82	1,372.26

e) Deferred tax assets relates to the following :

	Balance sheet	
	As at March 31, 2021	As at March 31, 2020
Deferred tax assets relates to the following :		
Impact of expenditures charged to statement of profit and loss but allowed for tax purposes on payment basis	138.43	191.07
Accelerated depreciation for tax purposes	-	(91.18)
Others	0.70	0.03
	139.13	99.92
Deferred tax liability relates to the following :		
Others	130.59	-
	130.59	-
Total deferred tax Asset (Net)	8.54	99.92

Note: Deferred Tax Assets and deferred Tax Liabilities of the Group and its joint venture are set off to the extent the respective Company has legal rights.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

13. OTHER ASSETS

The details of other assets:

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good, unless otherwise stated)		
Non- current		
Advances for property, plant and equipment	264.77	676.34
Income tax refund receivable	632.60	546.47
Balances with statutory/government authorities*	668.59	436.46
Deposit under protest	0.78	0.78
Total (A)	1,566.74	1,660.04
Current		
Balance with statutory / government authorities	1,042.97	1,021.77
Advance to suppliers	1,479.00	1,445.67
Prepaid expenses	216.30	171.68
Export benefits receivable	5.39	-
Others advances	113.71	154.69
Total (B)	2,857.37	2,793.82
Total (A+B)	4,424.11	4,453.86
Current	2,857.37	2,793.82
Non -current	1,566.74	1,660.04

*Balance with government authority includes the amount of subsidy claim receivable on the capital investment made by the holding Company in the state of Maharashtra.

14. ASSETS HELD FOR SALE

	As at March 31, 2021	As at March 31, 2020
Current		
Assets held for sale**	-	366.22
Total	-	366.22
Current	-	366.22
Non -current	-	-

** In the earlier years, the Holding Company classified certain items of Property Plant and Equipment (which includes leasehold land and building at Ranjangaon, Maharashtra net value of which is ₹ 177.28 lakhs and ₹ 188.94 lakhs respectively) as held for sale which was recognized and measured in accordance with Ind-AS 105 "Non Current Assets Held for Sale and Discontinued operations" at lower of its carrying amount and the fair value less cost to sell. During the current year, the said assets have been sold and the Holding Company has recognized profit on sale of assets of ₹ 221.78 lakhs which is disclosed under other income.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

15. INVENTORIES

Details of inventories:

	As at March 31, 2021	As at March 31, 2020
Raw materials (at cost)	3,195.02	2,335.33
(includes material in transit ₹ 186.71 lakhs (As at March 31, 2020 ₹ 133.90 lakhs))		
Work-in-progress (at cost)	443.05	367.63
Finished goods (at lower of cost and net realizable value)	871.62	698.28
(includes sales in transit ₹ 480.24 lakhs (As at March 31, 2020 ₹ 346.84 lakhs))		
Traded goods	1,834.97	1,622.56
(includes goods in transit NIL (As at March 31, 2020 ₹ 74.00 lakhs))		
Moulds	1,680.41	1,077.73
Stores and spares	333.69	341.08
Total inventories, at the lower of cost and net realizable value	8,358.76	6,442.61

16. TRADE RECEIVABLES

a) Details of trade receivables:

	As at March 31, 2021	As at March 31, 2020
Trade receivables	19,399.75	14,241.78
Receivables from other related parties (refer note 41)	2,898.44	5,035.71
Total Trade receivables	22,298.19	19,277.49

b) Break-up for security details:

	As at March 31, 2021	As at March 31, 2020
Trade receivables		
Secured, considered good	432.59	261.60
Unsecured, considered good	21,865.60	19,015.89
Doubtful	167.33	193.39
Total	22,465.52	19,470.88
Allowance for trade receivables- credit impaired	(167.33)	(193.39)
Total	22,298.19	19,277.49

- c) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- d) Trade receivables are non-interest bearing and are generally on terms of not more than 30-90 days.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

17. CASH AND CASH EQUIVALENTS

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- On current accounts	1,193.62	3,138.94
- Deposits with original maturity of less than 3 months	460.00	546.23
Cash on hand	12.15	10.59
Total	1,665.77	3,695.76

Cash at banks earns interest at floating rates based on daily bank deposit rates.

18. OTHER BANK BALANCES

	As at March 31, 2021	As at March 31, 2020
Other bank balances		
- Deposits having remaining maturity of more than 12 months	-	150.00
- Deposits with remaining maturity of more than 3 months but less than 12 months	8,109.31	6,643.51
- on unpaid dividend account *	21.16	22.54
Total	8,130.47	6,816.05
Less: Deposits having remaining maturity of more than 12 months disclosed under other financial assets (refer note 11)	-	150.00
Total	8,130.47	6,666.05

* The Group can utilize the balance only towards settlement of unclaimed dividend.

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

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
- On current accounts	1,193.62	3,138.94
- Deposits with original maturity of less than 3 months	460.00	546.23
Cash on hand	12.15	10.59
Total	1,665.77	3,695.76

Changes in liabilities arising from financing activities:

	As at April 01, 2020	Cash flows/Others	As at March 31, 2021
		Proceeds / (Repayment)	
Long term borrowings (including current maturities)	2,340.57	212.43	2,553.00
Short term borrowings	7,152.41	(2,467.96)	4,684.45
Lease liabilities	2,869.25	(266.63)	2,602.62
Total liabilities from financing activities	12,362.24	(2,522.16)	9,840.08

	As at April 01, 2019	Cash flows/Others	As at March 31, 2020
		Proceeds / (Repayment)	
Long term borrowings (including current maturities)	1,153.74	1,186.83	2,340.57
Short term borrowings	5,819.81	1,332.60	7,152.41
Lease liabilities	-	2,869.25	2,869.25
Total liabilities from financing activities	6,973.55	5,388.69	12,362.24

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

19. SHARE CAPITAL

a) Details of share capital

	As at March 31, 2021	As at March 31, 2020
Authorized share capital		
1805.00 lakhs (As at March 31, 2020 1805.00 lakhs), equity shares of ₹ 2 each	3,610.00	3,610.00
	3,610.00	3,610.00
Issued, subscribed and fully paid up capital		
681.58 lakhs (As at March 31, 2020 681.58 lakhs), equity shares of ₹ 2 each	1,363.15	1,363.15
	1,363.15	1,363.15

b) Reconciliation of authorized share capital

	Equity Shares	
	No. of shares (in Lakhs)	Amount
As at April 01, 2019	1,805.00	3,610.00
Increase/(Decrease) during the year	-	-
As at March 31, 2020	1,805.00	3,610.00
Increase/(Decrease) during the year	-	-
As at March 31, 2021	1,805.00	3,610.00

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

	Equity Shares	
	No. of shares (in Lakhs)	Amount
Equity shares of ₹ 2 each issued, subscribed and fully paid		
As at April 01, 2019	681.58	1,363.15
Issued during the year	-	-
As at March 31, 2020	681.58	1,363.15
Issued during the year	-	-
As at March 31, 2021	681.58	1,363.15

d) Terms/ rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity is entitled to one vote per share.

The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the group, after distribution of any preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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

Name of the shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of shares (in Lakhs)	% holding in the equity shares	No. of shares (in Lakhs)	% holding in the equity shares
Equity shares of ₹ 2 (March 31, 2020 ₹ 2) each fully paid				
Mr Deepak Jain, Director	129.21	18.96%	99.52	14.60%
Mr Anmol Jain, Managing Director	129.18	18.95%	99.49	14.60%
Lumax Finance Private Limited	121.11	17.77%	121.11	17.77%
Albula Investment Fund Limited	61.58	9.04%	61.58	9.04%
D. K. Jain & Sons (HUF)	-	0.00%	59.31	8.70%

20. OTHER EQUITY

Reconciliation of Other Equity

	Retained Earnings	Capital Reserve	Securities Premium	General Reserve	FVTOCI Reserve	Total
As at March 31, 2019	32,368.55	289.31	4,528.55	1,726.40	7,738.38	46,651.19
Profit for the year	5,803.89	-	-	-	-	5,803.89
Other comprehensive (loss) for the year (net of tax)	(21.90)	-	-	-	(5,071.50)	(5,093.40)
Add: Transfers	-	-	-	-	(0.70)	(0.70)
Less : Dividend Paid	(3,407.87)	-	-	-	-	(3,407.87)
Less: Dividend Distribution Tax Paid	(700.50)	-	-	-	-	(700.50)
As at March 31, 2020	34,042.18	289.31	4,528.55	1,726.40	2,666.18	43,252.61
Profit for the year	4,712.96	-	-	-	-	4,712.96
Add: Acquisition/Adjustments	534.47	32.05	-	-	-	566.52
Other comprehensive income/(loss) for the year (net of tax)	(60.09)	-	-	-	3,918.32	3,858.23
Less : Dividend Paid	(681.58)	-	-	-	-	(681.58)
As at March 31, 2021	38,547.94	321.36	4,528.55	1,726.40	6,584.50	51,708.74

Distributions made and proposed

	As at March 31, 2021	As at March 31, 2020
Holding Company		
Cash dividends on equity shares declared and paid		
Final dividend for the year ended March 31, 2020 ₹1 per share (March 31, 2019 ₹ 3 per share)	681.58	2,044.80
Interim dividend for the year ended March 31, 2021 NIL (March 31, 2020 ₹ 2 per share)	-	1,363.15
Dividend Distribution Tax on dividend**	-	602.13

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
Subsidiary company		
Final cash dividends (share of minority) for the year ended March 31, 2020: ₹ 5 per share (March 31, 2019: ₹ 15 per share)	78.31	234.93
Dividend Distribution Tax on final dividend**	-	107.31
Interim dividend (share of minority) for the year ended March 31, 2021 NIL (March 31, 2020 ₹ 10 per share)	-	156.62
Dividend Distribution Tax on Interim dividend**	-	71.47
	759.89	4,580.42

Distributions made and proposed

	As at March 31, 2021	As at March 31, 2020
Proposed dividends on Equity shares *		
Holding Company		
Final cash dividend for the year ended March 31, 2021 ₹ 3 per Share (March 31, 2020: ₹ 1 per share)**	2,044.73	681.58
Subsidiary company		
Final cash dividends (share of minority) for the year ended March 31, 2021: ₹ 15 per share (March 31, 2020: ₹ 5 per share)**	234.93	78.31

* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at March 31, 2021.

** With effect from April 01, 2020, the Dividend Distribution Tax ("DDT") payable by the company under section 115-O of Income Tax Act was abolished and a withholding tax u/s 194A was introduced on the payment of dividend. As a result, dividend is now taxable in the hands of the recipient.

21. BORROWINGS

a) Details of long term borrowings:

	As at March 31, 2021	As at March 31, 2020
Term Loans		
Term Loan from banks (secured)*	2,504.79	2,262.50
Long term maturities of finance lease obligation		
Vehicle loan from banks (secured)**	48.21	78.07
Less: current maturity disclosed under other financial liabilities (refer note 25)		
- term loan	(1,968.87)	(612.50)
- vehicle loan	(31.71)	(51.84)
Total borrowings	552.42	1,676.23
Total non-current	552.42	1,676.23
Aggregate secured loans	2,553.00	2,340.57
Aggregate unsecured loans	-	-

Loans taken by the Holding Company

** Vehicle loan amounting ₹ 33.60 lakhs (Previous year ₹ 39.77 lakhs) from banks at interest @ 8%-10% are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Loan taken by the Subsidiary Companies

* 1. Term loan amounting to ₹ 861.38 Lakhs (March 31, 2020 ₹ 1000 Lakhs) from HDFC Bank repayable in 13 equal quarterly installments of ₹ 62.50 lakhs each, and secured by hypothecation on Plant & Machinery and carries interest @ 8.50%.

* 2. Term loan amounting to ₹ 449.94 Lakhs (March 31, 2020 ₹ 562.50 Lakhs) from Bank secured by Exclusive charge on fixed assets and carries interest @ 8% - 9%.

* 3. Term loan in INR amounting ₹ 1193.47 Lakhs (March 31, 2020 ₹ 700 lakhs) carried interest ranging from 8.25% to 9.20% p.a. are secured by way of hypothecation of Plant & Machinery, stocks and receivables. The loan is repayable over a period of Four to Five years from the date of availment.

** 4. Vehicle loan amounting ₹ 14.61 lakhs (March 31, 2020 ₹ 38.30 lakhs) from banks at interest @ 8%-9% are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.

b) Details of short term borrowings:

	As at March 31, 2021	As at March 31, 2020
Loan repayable On Demand		
Working capital loan repayable on demand*	3,850.00	6,850.00
On cash credit accounts**	736.34	302.41
Customer Finance Facility from Banks***	98.11	-
Total	4,684.45	7,152.41

WCDL taken by the Holding Company

* Working capital demand loan ₹ 2,000 lakhs (March 31, 2020: NIL) from Bank is repayable in 180 days from respective drawdown and carries interest @ 6.15% per annum.

* Working capital demand loan ₹ 1,000 lakhs (March 31, 2020: ₹ 6,500 lakhs) from financial institution is repayable in 180 days from respective drawdown and carries interest @ 6.90% per annum, pari- passu charged over the current assets of the company.

Cash Credit taken by the Holding Company

** Cash Credit ₹ 483.70 lakhs (March 31, 2020: NIL) secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at Company's godown, factories and book debts along with receivables of the Company, both present and future and carries Interest @ 7.50% per annum.

WCDL taken by the subsidiary Companies

* Working capital demand loan ₹ 350 lakhs (March 31, 2020: ₹ 350 lakhs) from financial institution is repayable in 90 to 180 days from respective drawdown and carries interest ranging between 8.50% to 9.50% per annum.

* Working capital demand loan ₹ 500 lakhs (March 31, 2020: NIL) from financial institution is repayable in 90 days from respective drawdown and carries interest@7.25% per annum, pari-passu charged over the current assets of the company.

Cash Credits taken by the subsidiary Company

** Cash Credit ₹ 252.64 lakhs (March 31, 2020: 302.41 lakhs) secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at Company's godown, factories and book debts along with receivables of the Company, both present and future and carries Interest @ 7.50% per annum.

Customer Finance Facility taken by subsidiary Company

*** Customer finance includes sale invoice discounting from financial institution (Tata Capital) is repayable in 180 days from respective customer account, the above does not attract any interest from company.

Loan covenants

The Group has satisfied all debt covenants prescribed in the terms of bank loans. The other loans do not carry any debt covenant.

The Group has not defaulted on any loans payable.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

22. EMPLOYEE BENEFIT LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Non Current		
Provision for employee benefits		
Provision for gratuity (refer note 39)	109.14	75.91
Provision for leave encashment	521.51	469.64
Total (A)	630.65	545.55
Current		
Provision for employee benefits		
Provision for gratuity (refer note 39)	811.78	631.84
Provision for leave encashment	732.23	556.43
Total (B)	1,544.01	1,188.27
Total (A+B)	2,174.66	1,733.82
Current	1,544.01	1,188.27
Non- Current	630.65	545.55

23. OTHER LIABILITIES

Details of other liabilities

	As at March 31, 2021	As at March 31, 2020
Non Current		
Lease Liabilities	1,868.26	2,135.46
Total (A)	1,868.26	2,135.46
Current		
Statutory dues	1,012.31	900.28
Lease Liabilities	734.36	733.79
Advance from customers	468.20	90.00
Other liabilities (net) (refer note 50)	2,954.51	1,849.86
Total (B)	5,169.38	3,573.93
Total (A+B)	7,037.64	5,709.39
Current	5,169.38	3,573.93
Non-current	1,868.26	2,135.46

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

24. TRADE PAYABLES

	As at March 31, 2021	As at March 31, 2020
A. Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note below for details of due to micro and small enterprises)	2,285.71	885.97
- Total outstanding dues of creditors other than micro enterprises and small enterprises	16,835.41	13,544.92
	19,121.12	14,430.89
- Trade payables	17,509.07	11,927.19
- Related parties (refer note 41)	1,612.05	2,503.70
	19,121.12	14,430.89
B. Other payables		
- Other payables	1,357.47	1,308.46
Total	20,478.59	15,739.35

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30 to 90 day terms
- Other payables are non-interest bearing and have an average term of 1 year

For explanations on the group's credit risk management processes, refer note 48.

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2021 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the group.

	As at March 31, 2021	As at March 31, 2020
Principal amount due to micro and small enterprises	2,285.71	885.97
Interest due on above	12.34	10.04
	2,298.05	896.01
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	11.54	31.89
The amount of interest accrued and remaining unpaid at the end of each accounting year.	62.73	98.66
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	3.99	-

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

25. OTHER FINANCIAL LIABILITIES

	As at March 31, 2021	As at March 31, 2020
Other financial liabilities at amortized cost		
Current		
Current maturity of vehicle loan (refer note 21)	31.71	51.84
Current maturity of long term loan (refer note 21)	1,968.87	612.50
Amount payable for property, plant and equipment	703.29	797.62
Accrued salaries*	1,667.79	1,292.36
Unsecured deposits from customers	848.22	1,122.90
Unpaid dividends**	21.16	22.54
Interest accrued but not due	15.66	16.40
Total	5,256.70	3,916.15
Current	5,256.70	3,916.15
Non- current	-	-

* Accrued Salaries includes payable to directors of ₹ 303.20 lakhs (March 31, 2020: ₹ 249.55 lakhs) (Also refer note 41)

**Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. Accordingly, the Holding Company has transferred ₹ 99,978 during the current year (March 31, 2020: ₹ 1,25,808) to the Investor Education and Protection Fund.

Breakup of financial liabilities at amortized cost:

	As at March 31, 2021	As at March 31, 2020
Trade payables (refer note 24)	20,478.59	15,739.35
Borrowings non current (refer note 21)	552.42	1,676.23
Borrowings Short term (refer note 21)	4,684.45	7,152.41
Current maturity of long term loan (refer note 25)	1,968.87	612.50
Current maturity of vehicle loan (refer note 25)	31.71	51.84
Unsecured deposits from customers (refer note 25)	848.22	1,122.90
Unpaid dividends (refer note 25)	21.16	22.54
Accrued salaries (refer note 25)	1,667.79	1,292.36
Amount payable for property, plant and equipment (refer note 25)	703.29	797.62
Other Liabilities (refer note 25)	15.66	16.40
Total financial liabilities carried at amortized cost	30,972.16	28,484.15

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

26. REVENUE FROM CONTRACTS WITH CUSTOMERS

The details of revenue from operations is as follows:

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Sale of products		
Finished goods (refer note 50)	85,797.39	88,848.44
Traded goods	21,710.07	20,762.44
Total sale of products (A)	1,07,507.46	1,09,610.88
Sale of services:		
Sale of service	1,450.20	1,659.40
Job work income	412.06	400.05
Total Sale of services (B)	1,862.26	2,059.45
Other operating revenue:		
Scrap sale	104.90	121.44
Mould and tool sale	1,318.23	2,299.60
Total other operating revenue (C)	1,423.13	2,421.05
Revenue from operations (A+B+C)	1,10,792.85	1,14,091.38

26.1 Contract Balances

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Trade Receivables	22,298.19	19,277.49

27. OTHER INCOME

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Other non-operating income		
Interest income		
- On fixed deposits	370.02	429.46
- Others	41.89	16.18
Discount received	59.14	138.66
Liabilities no longer required written back	184.12	197.63
Rental Income	244.78	240.43
Royalty Income	0.31	-
Dividend Income	31.51	282.13
Net change in fair value of investment in equity shares held at FVTPL	182.77	94.58
Net gain on foreign currency transaction and translation	7.59	0.96
Government Grant	11.79	13.97
Gain on sale of fixed assets	258.03	18.25
Miscellaneous income	426.52	377.91
Total	1,818.47	1,810.15

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

28. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Inventory at the beginning of the year	2,335.33	2,617.80
Add: Purchases	59,382.10	59,800.07
Less: Inventory at the end of the year	(3,195.02)	(2,335.33)
Cost of raw materials and components consumed	58,522.41	60,082.54

28 (a) PURCHASE OF TRADED GOODS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Automotive Lamps/Components	15,861.99	15,484.12
Purchase of Traded Goods	15,861.99	15,484.12

29. COST OF MOULDS CONSUMED

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Inventory at the beginning of the year	1,077.73	586.87
Add: Purchases made during the year	1,753.70	2,478.59
Less: Inventory at the end of the year	(1,680.41)	(1,077.73)
Cost of moulds consumed	1,151.02	1,987.73

30. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Opening stock		
- Finished goods	698.28	835.14
- Traded Goods	1,622.56	1,011.06
- Work-in progress	367.63	526.67
Total (A)	2,688.47	2,372.87
Closing stock		
- Finished goods	871.62	698.28
- Traded Goods	1,834.97	1,622.56
- Work-in progress	443.05	367.63
Total (B)	3,149.64	2,688.47
Changes in inventories		
- Finished goods	(173.34)	136.86
- Traded Goods	(212.41)	(611.50)
- Work-in progress	(75.42)	159.04
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)	(461.17)	(315.60)

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

31. EMPLOYEE BENEFITS EXPENSE

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries, wages and bonus	11,874.58	12,044.90
Contributions to provident and other funds	530.75	506.44
Gratuity expense (refer note 39)	208.24	189.49
Staff welfare expense	626.99	736.98
Total	13,240.56	13,477.81

The Code on Social Security 2020 (Code), which received the Presidential Assent on September 28, 2020, subsumes nine laws relating to social security, retirement and employee benefits, including the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972. The effective date of the Code is yet to be notified and related rules are yet to be framed. The impact of the change, if any, will be assessed and recognized post notification of the relevant provisions.

32. FINANCE COSTS

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest on term loans	162.05	129.37
Interest on working capital	532.84	554.28
Interest paid to others	287.28	272.58
Total	982.17	956.24

33. DEPRECIATION AND AMORTIZATION EXPENSE

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Depreciation of tangible assets (refer note 3)	2,754.18	2,879.03
Amortization of intangible assets (refer note 4)	77.95	78.99
Depreciation of investment property (refer note 6)	57.41	57.41
Amortization of right to use assets (refer note 5)	525.60	435.48
Total	3,415.14	3,450.92

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

34. OTHER EXPENSES

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Freight and forwarding charges	1,942.69	1,801.44
Job work charges	1,925.81	1,972.03
Power and fuel	1,782.03	1,962.75
Consumables	1,160.29	1,252.85
Travelling and conveyance	410.04	879.14
Packing material consumed	1,012.01	991.10
Rent	226.51	238.90
Legal and professional fees	384.15	607.24
Repairs and maintenance		
- Plant and machinery	1,009.25	1,247.84
- Building	269.32	124.09
- Others	287.67	399.79
Communication cost	85.57	104.97
Bank Charges	22.02	30.46
Design, support and testing charges	97.66	169.57
Rates and taxes	158.93	253.01
Payment to auditors (refer details below)*	67.60	65.69
Insurance	121.88	162.15
CSR expenditure (refer details below)**	176.40	187.72
Printing and stationery	50.97	86.76
Advertisement and sales promotion	99.71	182.73
Director's sitting fees	15.40	23.20
Management fees	399.74	383.18
Exchange difference (net)	13.43	82.10
Provision for doubtful debts and advances	46.68	105.10
Outstanding balances written off	1.20	56.77
Royalty	217.68	198.12
Warranty	33.36	77.97
Loss on sales of Property plant and equipments (net)	35.52	1.38
Miscellaneous expenses	623.14	631.34
Total	12,676.66	14,279.39

*Payment to Auditor (excluding applicable taxes)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
As Auditor:		
Audit Fee	30.75	35.75
Tax Audit Fee	1.75	1.75
Limited Review	9.00	9.00
In other Capacity:		
Certification fees	0.50	-
Reimbursement of expenses	1.65	2.18

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Auditor of Subsidiaries:		
Audit Fee	18.04	8.93
Tax Audit Fee	2.26	3.06
Limited Review	1.08	2.78
In other Capacity:		
Certification and Other services	2.57	2.24
Total	67.60	65.69

**Details of CSR expenditure:

		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
(a)	Gross amount required to be spent by the group during the year	170.41	171.50
(b)	Amount approved by the Board to be spent during the year	170.41	171.50
(c)	Amount spent during the year ending on March 31, 2021:	In Cash	Yet to be paid in Cash
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above in cash	176.40	-
			Total
			176.40
(d)	Amount spent during the year ending on March 31, 2020:	In Cash	Yet to be paid in Cash
	i) Construction/acquisition of any asset	-	-
	ii) On purposes other than (i) above in cash	187.72	-
			Total
			187.72
(e)	Details related to spent / unspent obligations:	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
	i) Contribution to Public Trust	-	-
	ii) Contribution to Charitable Trust	176.40	187.72
	iii) Unspent amount in relation to:		
	Ongoing project	-	-
	Other than ongoing project	-	-

In case of Section 135(5) Excess amount spent

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	170.41	176.40	(5.99)

35. EXCEPTIONAL ITEM

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Scrap of Building	63.00	-
Total	63.00	-

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

36. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Re-measurement (loss) on defined benefit plans	(73.03)	(29.14)
Deferred tax thereon	7.82	7.24
Gain / (loss) on FVTOCI equity securities	3,925.98	(5,113.50)
Deferred tax thereon	(7.66)	48.87
	3,853.11	(5,086.53)

37. EARNINGS PER SHARE (EPS)

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

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Profit attributable to the equity holders of the Group		
Continuing Operations (excluding non- controlling interest)	4,712.96	4,978.60
Discontinued Operations	-	825.29
Total profit attributable to the equity holders of the Group	4,712.96	5,803.89
Weighted average number of equity shares for basic and diluted EPS (in lakhs)	681.58	681.58
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Continuing Operations (₹)	6.91	7.30
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Discontinued Operations (₹)	-	1.21
Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share) for Continuing and Discontinued Operations (₹)	6.91	8.52

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

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

38 GROUP INFORMATION

a) Information about subsidiaries and joint ventures

The Consolidated financial statements of the Group includes subsidiaries and Joint venture listed in the below table:

Name	Relationship	Principal activities	Country of incorporation	% Equity interest	
				March 31, 2021	March 31, 2020
Lumax Mannoh Allied Technologies Limited	Subsidiary	Manufacturing of Automobile Components	India	55%	55%
Lumax Integrated Ventures Private Limited	Subsidiary	Investment Company	India	100%	100%
Lumax Management Services Private Limited	Subsidiary	Service provider	India	100%	100%
Lumax Cornaglia Auto Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	50%	50%
Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)*	Subsidiary	Manufacturing of Automobile Components	India	100%	50%
Lumax FAE Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	51%	51%
Lumax JOPP Allied Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	50%	50%
Lumax Yokowo Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	100%	100%
Lumax Ituran Telematics Private Limited	Joint venture	Manufacturing of Automobile Components	India	50%	50%

b) Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Principal activities	Country of incorporation	% Equity interest held by non-controlling parties	
			As at March 31, 2021	As at March 31, 2020
Lumax Mannoh Allied Technologies Limited	Manufacturing of Automobile Components	India	45%	45%
Lumax Cornaglia Auto Technologies Private Limited	Manufacturing of Automobile Components	India	50%	50%
Lumax FAE Technologies Private Limited	Manufacturing of Automobile Components	India	49%	49%
Lumax JOPP Allied Technologies Private Limited	Manufacturing of Automobile Components	India	50%	50%
Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)*	Manufacturing of Automobile Components	India	-	50%

* On October 15, 2020, the Holding Company has acquired balance stake from the JV partner, Gill Austem LLC in respect of Lumax Gill-Austem Auto Technologies Private Limited (Now Lumax Mettalics Private Limited).

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

c) Information regarding non-controlling interest

	March 31, 2021	March 31, 2020
Accumulated balances of material non-controlling interest	4,036.62	4,214.07
Total Comprehensive income/(loss) allocated to material non-controlling interest		
- Lumax Mannoh Allied Technologies Limited	473.00	514.22
- Lumax Cornaglia Auto Technologies Private Limited	328.54	22.52
- Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)*	(200.84)	(367.47)
- Lumax FAE Technologies Private Limited	(144.27)	(3.63)
- Lumax JOPP Allied Technologies Private Limited	(59.10)	(36.86)

* With effect from October 15, 2020, became the wholly owned subsidiary of the Holding Company.

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

d) Summarized statement of profit and loss for the year ended March 31, 2021

	Lumax Mannoh Allied Technologies Limited	Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited**	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Total Income	12,429.02	1,350.80	-	-	-	-	2,329.12	150.02	138.41	7,418.51	-
Consumption*	7,832.96	800.49	-	-	-	-	-	136.44	102.47	4,377.92	-
Other expenses (including Employee benefit and depreciation)	3,076.78	900.59	4.19	0.54	0.89	(2.60)	2,056.81	182.02	152.13	2,045.96	6.38
Finance costs	89.56	36.08	-	-	-	-	50.92	77.87	0.09	166.64	0.00
Profit/(loss) before tax and Exceptional item	1,429.72	(386.37)	(4.19)	(0.54)	(0.89)	2.60	221.39	(246.31)	(116.28)	827.99	(6.38)
Exceptional item	-	-	-	-	-	-	(63.00)	-	-	-	-
Profit/(loss) before tax	1,429.72	(386.37)	(4.19)	(0.54)	(0.89)	2.60	158.39	(246.31)	(116.28)	827.99	(6.38)
Income tax	369.04	65.03	-	-	-	-	22.32	49.12	(0.06)	171.27	-
Profit/(loss) for the year	1,060.68	(451.40)	(4.19)	(0.54)	(0.89)	2.60	136.07	(295.43)	(116.22)	656.72	(6.38)
Total comprehensive income/(loss) for the year, net of tax (comprising net profit/(loss) for the year and other comprehensive income)	1,051.12	(451.77)	(4.19)	(0.54)	(0.89)	2.60	146.42	(295.43)	(118.19)	657.07	(6.38)
Attributable to non-controlling Interests	473.00	(200.84)	-	-	-	-	-	(144.26)	(59.10)	328.52	-
Dividends paid to non-controlling Interests	(78.31)	-	-	-	-	-	-	-	-	-	-

* Consumption include cost of raw material consumed, cost of mould consumed and changes in finished goods, raw material and work in progress and purchase of traded goods.

**Sipal Engineering Private Limited being associate of Lumax Integrated Ventures Private Limited has not been presented as a part of the above disclosure.

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

e) Summarized statement of profit and loss for the year ended March 31, 2020

	Lumax Mannoh Allied Technologies Limited	Lumax Gill Austem Auto Technologies Private Limited	Lumax Integrated Ventures Private Limited**	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Total Income	12,647.38	2,554.44	-	-	164.40	-	2,593.28	4.20	0.77	4,769.32	-
Consumption*	7,770.80	1,918.69	-	-	142.89	-	-	-	0.04	2,934.60	-
Other expenses (including Employee benefit and depreciation)	3,264.98	1,318.23	1.34	0.75	36.46	(0.75)	2,435.75	11.60	73.49	1,709.19	-
Finance costs	107.19	52.37	-	-	-	-	67.60	0.00	-	153.94	-
Profit/(loss) before tax	1,504.41	(734.85)	(1.34)	(0.75)	(14.95)	0.75	89.93	(7.40)	(72.76)	(28.41)	-
Income tax	371.32	0.00	-	-	2.22	-	63.74	-	0.84	(68.16)	-
Profit/(loss) for the year	1,133.10	(734.85)	(1.34)	(0.75)	(17.18)	0.75	26.18	(7.40)	(73.60)	39.74	-
Total comprehensive income/(loss) for the year, net of tax (comprising net profit/(loss) for the year and other comprehensive income)	1,142.70	(734.94)	(1.34)	(0.75)	(17.18)	0.75	30.26	(7.40)	(73.72)	45.04	-
Attributable to non-controlling Interests	514.22	(367.47)	-	-	-	-	-	(3.63)	(36.86)	22.52	-
Dividends paid to non-controlling Interests (including DDT)	(472.05)	-	-	-	-	-	-	-	-	-	-

* Consumption include cost of raw material consumed, cost of mould consumed and changes in finished goods, raw material and work in progress and purchase of traded goods.

**Sipal Engineering Private Limited being associate of Lumax Integrated Ventures Private Limited has not been presented as a part of the above disclosure.

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

f) Summarized balance sheet as at March 31, 2021

	Lumax Mannoh Allied Technologies Limited	Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Adjustments	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Inventories and cash and cash equivalents, other bank balance	3,969.36	313.06	2.22	0.02	2.26	-	-	353.51	461.00	157.95	1,964.95	16.26
Non current assets and current assets except shown above	5,887.84	1,795.54	74.91	(0.00)	0.00	1.35	13.53	6,973.37	2,701.36	221.03	5,500.24	0.43
Trade and other payable and current liability, provisions	(4,908.16)	(1,225.70)	(1.25)	(0.60)	(0.59)	-	(13.53)	(1,333.42)	(2,182.62)	(119.82)	(3,365.71)	(2.07)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(24.66)	-	-	-	-	-	-	(201.63)	(897.93)	(0.07)	(799.81)	-
Total equity	4,924.38	882.90	75.87	(0.58)	1.67	1.35	-	5,791.82	81.81	259.09	3,299.68	14.62
Attributable to:												
Equity holders of parent	2,707.09	882.90	75.87	(0.58)	1.67	1.35	-	5,791.82	41.86	129.55	1,649.84	14.62
Non-controlling interest	2,217.29	-	-	-	-	-	-	-	39.95	129.55	1,649.84	-

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

g) Summarized balance sheet as at March 31, 2020

	Lumax Mannoh Allied Technologies Limited	Lumax Gill Austem Auto Technologies Private Limited	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax Allied JOPP Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Inventories and cash and cash equivalents, other bank balance	3,019.64	261.52	1.28	0.41	2.56	-	132.38	54.46	30.60	1,717.50	1.00
Non current assets and current assets except shown above	4,533.38	1,649.30	77.50	0.06	-	(25.73)	7131.24	1,813.27	60.95	4,988.34	-
Trade and other payable and current liability, provisions	(3,448.97)	(1,171.92)	(0.71)	(0.50)	-	0.23	(1,294.28)	(860.17)	(13.47)	(2,625.83)	-
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(56.76)	(104.22)	-	-	(0.24)	-	(327.11)	(630.32)	(0.81)	(1,437.40)	-
Total equity	4,047.29	634.67	78.07	(0.04)	2.32	(25.50)	5,642.23	377.24	77.28	2,642.61	1.00
Attributable to:											
Equity holders of parent	2,226.01	317.34	78.07	(0.04)	2.32	(25.50)	5,642.23	188.62	38.64	1,321.30	1.00
Non-controlling interest	1,821.28	317.34	-	-	-	-	-	188.62	38.64	1,321.30	-

h) Summarized Cash flow for the year ended March 31, 2021

	Lumax Mannoh Allied Technologies Limited	Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax Allied JOPP Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Operating activities	547.58	(343.95)	(3.65)	(0.38)	(0.30)	27.08	383.04	(753.76)	(113.10)	892.35	(4.74)
Investing activities	(205.57)	(163.65)	2.59	-	-	(27.08)	15.67	(726.95)	(105.45)	(71.49)	-
Financing activities	(385.32)	555.64	2.00	-	-	-	(177.58)	1,821.88	299.91	(562.08)	20.00
Net increase/(decrease) in cash and cash equivalents	(43.31)	48.04	0.94	(0.38)	(0.30)	-	221.13	341.17	81.36	258.78	15.26

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

i) Summarized Cash flow for the year ended March 31, 2020

	Lumax Mannoh Allied Technologies Limited	Lumax Gill Austem Auto Technologies Private Limited	Lumax Integrated Ventures Private Limited	Velomax Mobility Private Limited	Lumax Energy Solutions Private Limited	Elimination	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Yokowo Technologies Private Limited
Operating activities	1,036.22	708.71	(0.89)	(0.23)	(2.25)	10.49	181.51	1,009.27	(77.28)	(539.93)	-
Investing activities	(165.12)	(676.51)	(0.50)	-	1.83	(10.01)	(525.39)	(1,450.77)	(44.42)	(458.34)	-
Financing activities	(1,318.34)	(41.39)	2.00	0.50	-	(0.50)	256.46	325.92	151.00	997.83	1.00
Net increase/(decrease) in cash and cash equivalents	(447.24)	(9.19)	0.61	0.27	(0.42)	(0.02)	(87.42)	(115.58)	29.30	(0.44)	1.00

j) Interest in joint venture

The Group has a 50% interest in Lumax Ituran Telematics Private Limited, a joint venture involved in the manufacture of some of the Group's main product lines in automotive equipment in India. The Group's interest in Lumax Ituran Telematics Private Limited is accounted for using the equity method in the consolidated financial statements. Summarized financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

a) Summarized balance sheet of Lumax Ituran Telematics Private Limited

	As at March 31, 2021	As at March 31, 2020
Inventories and cash and cash equivalents, other bank balance	55.80	16.05
Non current assets and current assets except shown above	42.55	66.86
Trade and other payable and current liability, provisions	(43.86)	(29.80)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(2.21)	(6.41)
Equity	52.28	46.70
Proportion of the Group's ownership	50%	50%
Carrying amount of the investment	26.19	23.40

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

b) Summarized statement of profit and loss of the Lumax Ituran Telematics Private Limited:

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Total Income	114.46	4.07
Cost of raw material and components consumed	96.68	3.56
Depreciation & amortization	4.30	2.16
Employee benefit	60.09	47.35
Other expense	21.61	32.17
Loss before tax	(68.22)	(81.17)
Income tax expense	(0.58)	0.04
Loss for the year	(67.64)	(81.21)
Total comprehensive loss for the year	(67.64)	(81.21)
Group's share of Loss for the year	(33.82)	(40.61)

The group had no contingent liabilities or capital commitments relating to its interest in Lumax Ituran Telematics Private Limited as at March 31, 2021. The joint venture had no other contingent liabilities or capital commitments as at March 31, 2021. Lumax Ituran Telematics Private Limited cannot distribute its profits until it obtains the consent from the two venture partners.

- c) Sipal Engineering Private Limited being associate of Lumax Integrated Ventures Private Limited has not been presented as a part of the above disclosure.

39. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

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

a) Defined contribution plans

During the year, the group has recognized the following amounts in the statement of profit and loss :

	March 31, 2021	March 31, 2020
Employer's contribution to provident fund & Other funds	530.75	506.44

b) Defined Benefit Obligation

The following tables summarize the components of net benefit expense recognized in the Statement of profit or loss and the funded status and amounts recognized in the balance sheet for the respective plans:

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
Cost for the year included under employee benefit		
Current service cost	159.50	150.00
Interest cost	42.76	37.18
Actuarial (gain) / loss recognized in the year in Other comprehensive income	-	0.12
Transfer in /out	5.98	2.18
Net benefit expense	208.24	189.49

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
Amounts recognized in statement of other comprehensive income (OCI)		
Opening amount recognized in OCI outside statement of profit and loss	(26.97)	(56.11)
Remeasurement for the year - Obligation (Gain) / Loss	76.62	27.12
Remeasurement for the year - Plan Assets (Gain) / Loss	(3.59)	2.02
Total remeasurement Cost / (Credit) for the year recognized in OCI	73.03	29.14
Closing amount recognized in OCI outside statement of profit and loss	46.06	(26.97)

d) Mortality table

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Economic assumptions		
1 Discount rate	6.30%	6.20%
2 Rate of increase in compensation levels - for first two years	8.00%	0.00%
- Thereafter	8.00%	8.00%
3 Rate of return on plan assets	6.20%	7.50%
Demographic assumptions		
1 Expected average remaining working lives of employees (years)	9.59	9.52
2 Retirement Age (years)	58 years	58 years
3 Mortality Rate	Indian Assured Lives Mortality (2012-14) ultimate	
Withdrawal Rate		
1 upto 30 years	8.00%	8.00%
2 Ages from 31-40	8.00%	8.00%
3 Ages from 41-50	8.00%	8.00%
4 Above 50 years	8.00%	8.00%

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

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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

Gratuity

	March 31, 2021	March 31, 2020
Benefit obligation as at the beginning of the year	1,416.23	1,212.77
Transfer in/(out)	5.98	1.17
Current service cost	159.50	150.00
Interest cost	86.97	89.14
Benefit paid	(111.56)	(66.20)
Actuarial loss/(gain)	74.51	29.35
Gross Liability	1,631.63	1,416.24

f) Table showing changes in the fair value of plan assets :

	March 31, 2021	March 31, 2020
Opening fair value of plan assets	708.46	685.98
Transfer in/(out)	-	(1.01)
Expected return on plan assets	43.90	50.88
Contribution made during the year	7.73	43.28
Benefits paid	(51.98)	(57.25)
Mortality charges	(1.29)	(10.26)
Amount paid on settlement	-	(1.76)
Actuarial gain on plan assets	3.89	(1.40)
Closing fair Value of Plan asset	710.71	708.46

g) Benefit (asset) / liability :

	March 31, 2021	March 31, 2020
Present value of defined benefit obligation	1,631.63	1,416.23
Fair value of plan assets	710.71	708.46
Net (assets) / liability	920.92	707.77

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

	March 31, 2021	March 31, 2020
Investment with the insurer	100%	100%

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

- i) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 and March 31, 2020 is as shown below:

	March 31, 2021	March 31, 2020
	Gratuity	Gratuity
A. Discount rate		
Effect on DBO due to 1% increase in Discount rate	1,525.94	932.61
Effect on DBO due to 1% decrease in Discount rate	1,751.57	(1,023.57)
B. Salary escalation rate		
Effect on DBO due to 1% increase in Salary Escalation rate	1,728.53	1,021.43
Effect on DBO due to 1% decrease in Salary Escalation rate	1,543.23	(865.86)
C. Withdrawal rate		
Effect on DBO due to 1% increase in Withdrawal rate	1,621.90	974.09
Effect on DBO due to 1% decrease in Withdrawal rate	1,642.57	(939.76)

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

	March 31, 2021	March 31, 2020
March 31, 2021	-	200.12
March 31, 2022	223.25	142.65
March 31, 2023	164.18	140.14
March 31, 2024	133.43	112.09
March 31, 2025	219.00	184.89
March 31, 2026	249.36	-
March 31, 2027 to March 31, 2031 (PY March 31, 2026 to March 31, 2030)	1,135.04	922.03

40. COMMITMENTS AND CONTINGENCIES

(a) Capital and other commitments

(1) Estimated amount of contracts remaining to be executed on capital account and not provided for:

Capital commitments are ₹ 476.87 Lakhs (As at March 31, 2020 ₹ 1475.69 lakhs), net of advances.

(2) Undrawn committed borrowing facility

The Group has availed fund based and non fund based working capital limits amounting to ₹ 17,300.00 lakhs (March 31, 2020 : ₹ 19,500 lakhs) from banks and financials institutions. An amount of ₹ 11,712.75 lakhs remain undrawn as at March 31, 2021 (March 31, 2020 : ₹ 9,285.16 lakhs). Further, the limit availed is secured by way of Pari-passu first charge of hypothecation on entire stocks consisting of raw material, work in progress and finished goods kept at group's godown, factories and book debts along with receivables of the group, both present and future.

(b) Contingent liabilities

	As at March 31, 2021	As at March 31, 2020
Claims against the group not acknowledged as debts		
Holding Company		
In respect of Assessment Year ("A.Y.") 2012 - 13, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to ₹ 11.85 Lakhs against which demand raised for tax amounting ₹ 3.85 lakhs. The Company has preferred an appeal with Commissioner of Income Tax (Appeals) "CIT(A)" against the same. The Company has preferred an appeal with Income Tax Appellate Tribunal (ITAT) against order of CIT(A). During the year, the Company has received a favorable ITAT order.	-	3.85

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	As at March 31, 2021	As at March 31, 2020
In respect of A.Y. 2015 - 16, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 amounting to ₹ 8.11 Lakhs against which demand raised against the same amounting to ₹ 2.76 lakhs. The Company has preferred an appeal with CIT(A) against the same and got rejected and further the Company filed appeal with ITAT.	2.76	2.76
In respect of A.Y. 2017-18, the CPC had served notice for adjustment u/s 143(1)(a)(iv) to the income of the Company on account of late deposit of PF and ESI amounting to ₹ 49.32 lakhs based on wrong reporting of date of deposit by Tax Auditor in TAX Audit Report. The Company has filed Revised Return and Tax Auditor has filed Revised Tax Audit Report. The Company has received refund order from the Income tax department.	-	13.95
Demand from Employee State Insurance	0.90	0.90
The Company had received income tax order under Section 143(3) dated December 30, 2019 related to A.Y. 2018-19 on account of search and seizure operation for which company had received demand of ₹ 1033.28 lakhs including interest u/s 234ABC in respect of above matter for which the Company had filed the appeal and rectification letter to income tax authorities. On June 07, 2021, the Company has received a favourable order in this regard from CIT(A). The management is confident that matter shall also be eventually settled in its favour and hence no provision is considered necessary.	1,033.28	1,033.28
During the previous year, the Company had received the show cause notice cum demand from the Assistant Commissioner of the goods and services tax, Nashik Aurangabad, alleging that the company had availed the cenvat credit of ₹ 0.049 lakhs twice on the same invoice one in the month of January 2017 and then again in the subsequent month. Furthermore, Company had also availed the cenvat credit of ₹ 0.98 lakhs during the month of March 2017 and April 2017. Thus there was demand cum show cause notice of ₹ 1.03 lakhs for inadmissible credit availed by the company which was paid during the current year and the case was closed.	-	1.03
During the previous year, the Company had received demand cum show cause notice of ₹ 17.15 lakhs from the assistance commissioner of goods and services tax alleging that the company had availed the cenvat credit on the basis of invoices which are not fulfilling the particulars as specified under Rule 4A of the Service Tax Rules, 1994. The Company submitted the reply along with the relevant documents to the department and subsequently the case was dropped by the department in its order dated November 26, 2020.	-	17.15
During the previous year, the Company had received demand cum show cause Notice from the department alleged that the company had availed the duty drawback on the basis of unrealized sale proceeds and thus the duty drawback of ₹ 19.24 lakhs should be recovered from the company against such shipping bills. The company has filed the reply to the assistant commissioner of customs Inland Container Depot (ICD), Tughlakabad, dated February 07, 2020 against the above show cause notice where in the company has surrendered the Duty Drawback of ₹ 0.52 lakhs along with interest to the ICD, Tughlakabad, New Delhi.	19.24	19.24
During the year, the Company has received show cause Notice dated June 08, 2020 from the department alleged that the company has availed the Excise Duty of ₹ 32.14 lakhs on amortization of Drawing & Design sent by one of the customer of the Company on FOC basis.	32.14	-
Subsidiaries:		
During the year, received show cause Notice of ₹ 1.32 lakhs from the department for customs classification dispute for which reply has been filed to the department.	1.32	-

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

- (c) The Holding Company had entered into an agreement with the Bhosari Unit Workmen Union on September 13, 2003, vide which option for VRS was given to the workers of the Holding Company. Accordingly, benefits under the said scheme were paid to 27 workmen who opted for the scheme. Out of these 27 workmen, 20 workmen later filed a case against the Holding Company on the grounds of Unfair Labour Practices at the Labour court. The Court has passed an order in the favour of the workmen on June 26, 2019. Further, the Holding Company has challenged the said order and filed revision application dated July 26, 2019 in the Industrial Court, Pune on the grounds that the said order is defective and bad at law. The Holding Company is of the view, based on the advice of the case advocate, that the final outcome of the case would be in the favour of the Holding Company and hence, no provision has been made in the books of accounts.
- (d) In regard to the bill discounting of invoices with bank by one of Holding Company's vendor (Transporter), the bank had filed an application under Section 19 of the Recovery of Debts due to Banks and Financial Institution Act, 1993 before the Ld. DRT-II, Chandigarh for recovery of ₹ 999.76 lakhs and interest thereon @ 13.75% p.a. from holding company, vendor and other parties. The Holding Company and other parties including vendor has received an order dated February 25, 2019 from Debts Recovery Tribunal- II, Chandigarh for demanding the above amount jointly and severally. The Holding Company has filed an appeal before Debt Recovery Appellate Tribunal (DRAT) dated March 13, 2020 against ₹ 782.24 lakhs (decretal amount to which the Holding Company is a defendant party) along with interest 13.75% p.a. and deposited 25% of decretal amount in current year. The Holding Company is of the view, based on the advice of the case advocate, that the final outcome of the case would be in the favour of the Holding Company and hence, no provision has been made in the books of accounts.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

41. RELATED PARTY DISCLOSURES

Names of related parties and related party relationship

S. No.	Relationship	Name of Related Parties
1	Key Management Personnel	Mr D. K. Jain (Chairman)
		Mr Anmol Jain (Managing Director)
		Mr Deepak Jain (Director)
		Mr Tomoki Mori (Director)
		Mr Shuji Horie (Director)
		Mr Naval Khanna (Director)
		Mr Sanjay Mehta (Director)
		Mr Ashish Dubey (CFO)
		Mr Anil Tyagi (Company Secretary)
2	Relatives of Key Management Personnel	Mrs Shivani Jain (Wife of Mr Anmol Jain)
		Mrs Poysha Goyal Jain (Wife of Mr Deepak Jain)
3	Non Executive Director	Mr Arun Kumar Malhotra
		Mr Avinash Parkash Gandhi
		Mr Kanchan Kumar Gandhi (Resigned w.e.f. February 01, 2021)
		Mr Roop Salotra
		Mr Milap Jain
		Mrs Diviya Chanana
4	Joint Venture	Lumax Ituran Telematics Private Limited
5	Associate of Step down subsidiary (Associate of Lumax Integrated Ventures Private Limited)	Sipal Engineering Private Limited
6	Enterprises owned or significantly influenced by Key Management Personnel and / or their relatives	Lumax Industries Limited
		Lumax Finance Private Limited
		Lumax Ancillary Limited
		Mahavir Udyog
		D.K. Jain & Sons (HUF)
		Bharat Enterprises
		D.K. Jain Family Trust
		Lumax Tours & Travels Limited
		Lumax Charitable Foundation
		Mannoh Industrial Co. Limited
		Francisco Albero S.A.U. (Spain)
		PT MTAT Indonesia
		Officine Metallurgiche G. Cornaglia SPA (Italy)
		Cornaglia Centro Ricerche (Italy)
		Cor-Filters (Italy)
		M&T Allied Technologies Co. Limited

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
TRANSACTIONS								
Sale of Raw Materials and Components								
Lumax Industries Limited	-	-	39.74	73.18	-	-	39.74	73.18
Lumax Ancillary Limited	-	-	288.13	391.19	-	-	288.13	391.19
Bharat Enterprises	-	-	0.34	1.39	-	-	0.34	1.39
M&T Allied Technologies Co. Limited	-	-	-	12.22	-	-	-	12.22
Mannoh Industrial Co. Limited	-	-	-	4.44	-	-	-	4.44
PT MTAT Indonesia	-	-	-	2.26	-	-	-	2.26
Total	-	-	328.21	484.68	-	-	328.21	484.68
Sale of Traded Goods								
Lumax Industries Limited	-	-	-	0.35	-	-	-	0.35
Lumax Charitable Foundation	-	-	-	7.66	-	-	-	7.66
Total	-	-	-	8.01	-	-	-	8.01
Sale of Finished Goods								
Lumax Industries Limited	-	-	12,165.76	15,367.83	-	-	12,165.76	15,367.83
Lumax Ancillary Limited	-	-	877.91	805.13	-	-	877.91	805.13
Mannoh Industrial Co. Limited	-	-	109.53	-	-	-	109.53	-
M&T Allied Technologies Co. Limited	-	-	9.82	-	-	-	9.82	-
PT MTAT Indonesia	-	-	0.63	-	-	-	0.63	-
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	-	4.90	-	-	-	4.90
Cor-Filters (Italy)	-	-	104.08	124.74	-	-	104.08	124.74
Total	-	-	13,267.73	16,302.60	-	-	13,267.73	16,302.60
Sale of Capital Goods								
Lumax Ancillary Limited	-	-	2.22	1.42	-	-	2.22	1.42
Lumax Industries Limited	-	-	-	2,661.80	-	-	-	2,661.80
Total	-	-	2.22	2,663.22	-	-	2.22	2,663.22

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Availing of Services								
Lumax Industries Limited	-	-	50.44	40.14	-	-	50.44	40.14
Lumax Tours & Travels Limited	-	-	17.05	249.35	-	-	17.05	249.35
Francisco Alberro S.A.U	-	-	-	132.99	-	-	-	132.99
PT MTAT Indonesia	-	-	0.12	-	-	-	0.12	-
M&T Allied Technologies Co. Limited	-	-	3.81	-	-	-	3.81	-
Mannoh Industrial Co. Limited	-	-	26.95	-	-	-	26.95	-
Sipal Engineering Private Limited	-	-	-	-	0.36	-	0.36	-
Lumax Ancillary Limited	-	-	22.00	20.77	-	-	22.00	20.77
Total	-	-	120.37	443.25	0.36	-	120.73	443.25
Rendering of Services								
Lumax Ancillary Limited	-	-	3.06	0.15	-	-	3.06	0.15
Lumax Industries Limited	-	-	1,343.03	1,556.97	-	-	1,343.03	1,556.97
Bharat Enterprises	-	-	0.18	-	-	-	0.18	-
Lumax Tours & Travels Limited	-	-	-	2.25	-	-	-	2.25
Sipal Engineering Private Limited	-	-	-	-	11.80	-	11.80	-
Cornaglia Centro Ricerche	-	-	58.53	-	-	-	58.53	-
Mahavir Udyog	-	-	0.38	7.25	-	-	0.38	7.25
Lumax Ituran Telematics Private Limited	-	-	-	-	0.21	-	0.21	-
Total	-	-	1,405.17	1,566.62	12.01	-	1,417.19	1,566.62
Rent Received								
Lumax Tours & Travels Limited	-	-	6.20	7.08	-	-	6.20	7.08
Lumax Ituran Telematics Private Limited	-	-	-	-	0.89	-	0.89	-
Lumax Industries Limited	-	-	270.89	246.11	-	-	270.89	246.11
Total	-	-	277.08	253.19	0.89	-	277.97	253.19

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Rent Paid								
Lumax Industries Limited	-	-	22.14	34.69	-	-	22.14	34.69
Mr D.K. Jain	31.61	33.44	-	-	-	-	31.61	33.44
Total	31.61	33.44	22.14	34.69	-	-	53.75	68.13
Purchases of Raw Materials and Components								
Bharat Enterprises	-	-	230.80	297.63	-	-	230.80	297.63
Lumax Industries Limited	-	-	2,060.82	1,105.38	-	-	2,060.82	1,105.38
Lumax Ancillary Limited	-	-	6,496.13	6,375.48	-	-	6,496.13	6,375.48
Mahavir Udyog	-	-	3.42	0.62	-	-	3.42	0.62
Francisco Albero S.A.U	-	-	152.25	-	-	-	152.25	-
M&T Allied Technologies Co. Limited	-	-	205.84	265.90	-	-	205.84	265.90
PT MTAT Indonesia	-	-	65.68	33.90	-	-	65.68	33.90
Mannoh Industrial Co. Limited	-	-	11.02	0.51	-	-	11.02	0.51
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	306.03	90.67	-	-	306.03	90.67
Total	-	-	9,531.98	8,170.09	-	-	9,531.98	8,170.09
Purchases of Finished Goods								
Lumax Industries Limited	-	-	6,416.23	6,131.30	-	-	6,416.23	6,131.30
Lumax Ancillary Limited	-	-	1,374.94	1,572.61	-	-	1,374.94	1,572.61
Total	-	-	7,791.17	7,703.91	-	-	7,791.17	7,703.91
Purchases of other								
Lumax Industries Limited	-	-	4.69	3.12	-	-	4.69	3.12
Lumax Ancillary Limited	-	-	0.03	0.24	-	-	0.03	0.24
Total	-	-	4.72	3.36	-	-	4.72	3.36
Purchase of Capital Goods								
Francisco Albero S.A.U	-	-	44.77	-	-	-	44.77	-
Lumax Industries Limited	-	-	532.60	-	-	-	532.60	-
Total	-	-	577.37	-	-	-	577.37	-

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Purchase of Packing Material								
Lumax Industries Limited	-	-	0.01	0.67	-	-	0.01	0.67
Lumax Ancillary Limited	-	-	-	0.26	-	-	-	0.26
Mahavir Udyog	-	-	1.29	19.92	-	-	1.29	19.92
Total	-	-	1.30	20.85	-	-	1.30	20.85
Other Reimbursement to/(from)								
Bharat Enterprises	-	-	0.06	(0.28)	-	-	0.06	(0.28)
Lumax Industries Limited	-	-	239.17	321.22	-	-	239.17	321.22
Lumax Ancillary Limited	-	-	34.30	22.17	-	-	34.30	22.17
Mahavir Udyog	-	-	(2.97)	-	-	-	(2.97)	-
Lumax Finance Private Limited	-	-	0.17	(0.57)	-	-	0.17	(0.57)
Lumax Charitable Foundation	-	-	2.09	8.44	-	-	2.09	8.44
Lumax Tours & Travels Limited	-	-	(1.69)	4.44	-	-	(1.69)	4.44
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	-	50.24	-	-	-	50.24
Mannoh Industrial Co. Limited	-	-	22.62	41.71	-	-	22.62	41.71
Mahavir Udyog	-	-	0.21	-	-	-	0.21	-
Lumax Ituran Telematics Private Limited	-	-	-	-	0.58	-	0.58	-
Total	-	-	293.96	447.37	0.58	-	294.54	447.37
CSR Expenditure								
Lumax Charitable Foundation	-	-	173.88	182.57	-	-	173.88	182.57
Total	-	-	173.88	182.57	-	-	173.88	182.57
Investments Made								
Lumax Industries Limited	-	-	3,881.85	-	-	-	3,881.85	-
Lumax Ituran Telematics Private Limited	-	-	-	-	36.60	59.46	36.60	59.46
Total	-	-	3,881.85	-	36.60	59.46	3,918.45	59.46

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Royalty Paid								
Lumax Industries Limited	-	-	113.28	-	-	-	113.28	-
Mannoh Industrial Co. Limited	-	-	131.92	138.12	-	-	131.92	138.12
Total	-	-	245.20	138.12	-	-	245.20	138.12
Technical Fees								
Mannoh Industrial Co. Limited	-	-	65.00	6.83	-	-	65.00	6.83
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	4.92	-	-	-	4.92	-
Total	-	-	69.92	6.83	-	-	69.92	6.83
Managerial Remuneration								
Mr Anmol Jain	79.93	169.18	-	-	-	-	79.93	169.18
Mr D.K. Jain	106.83	197.08	-	-	-	-	106.83	197.08
Mr Deepak Jain	7.74	15.48	-	-	-	-	7.74	15.48
Mrs Shivani Jain	148.32	88.75	-	-	-	-	148.32	88.75
Mrs Poysha Goyal Jain	148.32	90.94	-	-	-	-	148.32	90.94
Mr Sanjay Mehta	115.52	132.56	-	-	-	-	115.52	132.56
Mr Naval Khanna	69.74	80.15	-	-	-	-	69.74	80.15
Mr Tomoki Mori	89.72	96.37	-	-	-	-	89.72	96.37
Mr Ashish Dubey	55.77	59.08	-	-	-	-	55.77	59.08
Mr Anil Tyagi	15.48	16.91	-	-	-	-	15.48	16.91
Total	837.37	946.50	-	-	-	-	837.37	946.50
Director Sitting Fees								
Mr Arun Kumar Malhotra	2.78	3.60	-	-	-	-	2.78	3.60
Mr Avinash Parkash Gandhi	2.74	4.20	-	-	-	-	2.74	4.20
Mr Kanchan Kumar Gandhi	1.20	2.80	-	-	-	-	1.20	2.80
Mr Roop Salotra	3.69	5.00	-	-	-	-	3.69	5.00
Mr Milap Jain	2.59	4.80	-	-	-	-	2.59	4.80

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Mrs Diviya Chanana	1.48	2.80	-	-	-	-	1.48	2.80
Total	14.47	23.20	-	-	-	-	14.47	23.20
Commission Paid								
Mr Anmol Jain	129.46	110.02	-	-	-	-	129.46	110.02
Mr D.K. Jain	106.83	72.15	-	-	-	-	106.83	72.15
Mr Deepak Jain	56.77	59.73	-	-	-	-	56.77	59.73
Mrs Shivani Jain	-	73.82	-	-	-	-	-	73.82
Mrs Poysha Goyal Jain	-	71.64	-	-	-	-	-	71.64
Total	293.06	387.36	-	-	-	-	293.06	387.36
Dividend Paid								
Mr Anmol Jain	92.03	497.47	-	-	-	-	92.03	497.47
Mr Deepak Jain	92.06	497.62	-	-	-	-	92.06	497.62
D.K. Jain Family Trust	-	-	1.89	10.20	-	-	1.89	10.20
D.K. Jain & Sons (HUF)	-	-	54.92	296.54	-	-	54.92	296.54
Lumax Finance Private Limited	-	-	112.03	605.57	-	-	112.03	605.57
Mannoh Industrial Co. Limited	-	-	78.31	391.56	-	-	78.31	391.56
Total	184.09	995.09	247.15	1,303.87	-	-	431.24	2,298.96
Dividend Received								
Lumax Industries Limited	-	-	31.50	275.63	-	-	31.50	275.63
Total	-	-	31.50	275.63	-	-	31.50	275.63

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
BALANCE AT THE YEAR END								
Receivables								
Mr Sanjay Mehta	3.50	9.50	-	-	-	-	3.50	9.50
Bharat Enterprises	-	-	-	0.46	-	-	-	0.46
Mahavir Udyog	-	-	-	3.00	-	-	-	3.00
Lumax Industries Limited	-	-	2,783.39	4,709.27	-	-	2,783.39	4,709.27
Lumax Ancillary Limited	-	-	0.87	246.34	-	-	0.87	246.34
Lumax Tours & Travels Limited	-	-	-	2.03	-	-	-	2.03
Mannoh Industrial Co. Limited	-	-	37.24	0.64	-	-	37.24	0.64
M&T Allied Technologies Co. Limited	-	-	1.62	-	-	-	1.62	-
PT MTAT Indonesia	-	-	-	6.36	-	-	-	6.36
Cor-Filters (Italy)	-	-	70.21	62.71	-	-	70.21	62.71
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	4.90	4.90	-	-	4.90	4.90
Francisco Albergo S.A.U	-	-	0.22	-	-	-	0.22	-
Total	3.50	9.50	2,898.44	5,035.71	-	-	2,901.94	5,045.21
Other Financial Assets								
Lumax Ituran Telematics Private Limited	-	-	-	-	0.09	-	0.09	-
Total	-	-	-	-	0.09	-	0.09	-
Investment								
Lumax Industries Limited	-	-	8,436.49	4,554.64	-	-	8,436.49	4,554.64
Lumax Ancillary Limited	-	-	459.52	459.52	-	-	459.52	459.52
Sipal Engineering Private Limited	-	-	-	-	71.91	71.91	71.91	71.91
Lumax Ituran Telematics Private Limited	-	-	-	-	129.60	93.00	129.60	93.00
Total	-	-	8,896.01	5,014.16	201.51	164.91	9,097.52	5,179.07
Payables								
Bharat Enterprises	-	-	42.70	47.17	-	-	42.70	47.17

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
Lumax Ancillary Limited	-	-	1,039.75	1,453.05	-	-	1,453.05
Lumax Industries Limited	-	-	0.24	395.14	-	-	395.14
Lumax Tours & Travels Limited	-	-	3.11	13.06	-	-	13.06
Mahavir Udyog	-	-	0.76	-	-	-	0.76
Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	205.91	201.21	-	-	201.21
Mannoh Industrial Co. Limited	-	-	118.20	128.31	-	-	128.31
M&T Allied Technologies Co. Limited	-	-	96.18	15.65	-	-	15.65
PT MTAT Indonesia	-	-	19.61	0.55	-	-	0.55
Francisco Albero S.A.U	-	-	85.57	-	-	-	85.57
Total	-	-	1,612.05	2,254.14	-	-	2,254.14
Other Financial Liabilities							
Mr Anmol Jain	129.46	117.62	-	-	-	-	117.62
Mr D.K. Jain	106.83	72.15	-	-	-	-	72.15
Mr Deepak Jain	56.77	50.73	-	-	-	-	50.73
Mr Naval Khanna	4.12	3.08	-	-	-	-	3.08
Mr Sanjay Mehta	6.03	5.97	-	-	-	-	5.97
Total	303.20	249.55	-	-	-	-	249.55
Total	303.20	249.55	1,612.05	2,254.14	1,612.05	303.20	2,254.14

Notes to Consolidated financial statements For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

42. FINAL DIVIDEND

The Board of Directors of Holding Company has passed the resolution on June 12, 2021 for declaration of dividend @ 150% i.e. ₹ 3 per equity share of face value of ₹ 2 each [March 31, 2020 @ 150% i.e. ₹ 3 per equity share of face value of ₹ 2 each (included @ 100% interim Dividend i.e. ₹ 2 each paid)].

43. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Judgements

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

Estimates and assumptions

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

Defined benefit plans (gratuity benefits)

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

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

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

Further details about gratuity obligations are given in note 39.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

44. CAPITAL MANAGEMENT

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Group reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

	As at March 31, 2021	As at March 31, 2020
Borrowings including current maturities of long term borrowing (refer note 21)	2,553.00	2,340.57
Payable for purchase of fixed assets (refer note 25)	703.29	797.62
Net debts	3,256.29	3,138.19
Capital components		
Equity Share capital	1,363.15	1,363.15
Other equity	51,708.74	43,252.61
Total equity	53,071.89	44,615.76
Capital and net debt	56,328.18	47,753.95
Gearing ratio (%)	5.78%	6.57%

45. FAIR VALUES

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

a) Fair value of financial assets:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial assets measured at fair value				
Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*	8,436.49	4,554.64	8,436.49	4,554.64
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	503.65	459.52	503.65	459.52
Investments in Quoted short term investments valued at fair value	4,034.91	1,130.70	4,034.91	1,130.70
Total	12,975.05	6,144.86	12,975.05	6,144.86
Financial Instruments where carrying amounts that are reasonable approximations of fair values:				
Trade receivables	22,298.19	19,277.49	22,298.19	19,277.49
Cash and cash equivalents	1,665.77	3,695.76	1,665.77	3,695.76
Other Bank balances	8,130.47	6,666.05	8,130.47	6,666.05
Deposits with remaining maturity for more than 12 months from the reporting date	-	150.00	-	150.00

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Loan to employees	69.16	91.34	69.16	91.34
Security deposit	614.29	571.10	614.29	571.10
Interest accrued but not due	60.06	158.92	60.06	158.92
Other recoverables	55.81	36.38	55.81	36.38
Unbilled Revenue	1,151.78	-	1,151.78	-
Total	34,045.53	30,647.04	34,045.53	30,647.04

b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial liabilities measured at amortized cost				
Borrowings non current	552.42	1,676.23	552.42	1,676.23
Borrowings current	4,684.45	7,152.41	4,684.45	7,152.41
Current maturity of long term loan	1,968.87	612.50	1,968.87	612.50
Current maturity of vehicle loan	31.71	51.84	31.71	51.84
Trade payables	20,478.59	15,739.35	20,478.59	15,739.35
Accrued Salaries	1,667.79	1,292.36	1,667.79	1,292.36
Unsecured deposits from customers	848.22	1,122.90	848.22	1,122.90
Unpaid dividends	21.16	22.54	21.16	22.54
Interest accrued not due	15.66	16.40	15.66	16.40
Amount payable for property, plant and equipment	703.29	797.62	703.29	797.62
Total	30,972.16	28,484.15	30,972.16	28,484.15

* The fair values of the FVTOCI financial assets are derived from quoted market prices in active markets.

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

Discount rate used in determining fair value

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

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

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

46. FAIR VALUE HIERARCHY

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

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

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

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

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

a) Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2021:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value				
Quoted equity shares				
Investments in equity instruments of other entities (at fair value through other comprehensive income)	8,436.49	8,436.49	-	-
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	503.65	-	503.65	-
Investments in Quoted short term investments valued at fair value	4,034.91	4,034.91	-	-
Others				
Trade receivables	22,298.19	-	-	22,298.19
Cash and cash equivalents	1,665.77	-	-	1,665.77
Other Bank balances	8,130.47	-	-	8,130.47
Loan to employees	69.16	-	-	69.16
Security deposit	614.29	-	-	614.29
Interest accrued but not due	60.06	-	-	60.06
Other recoverables	55.81	-	-	55.81
Investment properties	1,758.51	-	1,758.51	-
Unbilled Revenue	1,151.78	-	-	1,151.78
Total	48,779.09	12,471.40	2,262.16	34,045.53

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

b) Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2021:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value				
Borrowings non current	552.42	-	-	552.42
Borrowings current	4,684.45	-	-	4,684.45
Current maturity of long term loan	1,968.87	-	-	1,968.87
Current maturity of vehicle loan	31.71	-	-	31.71
Trade payables	20,478.59	-	-	20,478.59
Accrued Salaries	1,667.79	-	-	1,667.79
Unsecured deposits from customers	848.22	-	-	848.22
Unpaid dividends	21.16	-	-	21.16
Other Liabilities	15.66	-	-	15.66
Amount payable for property, plant and equipment	703.29	-	-	703.29
Lease liabilities (right to use)	2,602.62	-	-	2,602.62
Total	33,574.78	-	-	33,574.78

c) Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value				
Quoted equity shares				
Investments in equity instruments of other entities (at fair value through other comprehensive income)	4,554.64	4,554.64	-	-
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)	459.52	-	459.52	-
Investments in Quoted short term investments valued at fair value	1,130.70	1,130.70	-	-
Others				
Deposits with remaining maturity for more than 12 months from the reporting date	150.00	-	-	150.00
Trade receivables	19,277.49	-	-	19,277.49
Cash and cash equivalents	3,695.76	-	-	3,695.76
Other bank balance	6,666.05	-	-	6,666.05
Loan to employees	91.34	-	-	91.34
Security deposit	571.10	-	-	571.10
Interest accrued but not due	158.92	-	-	158.92
Other recoverables	36.38	-	-	36.38
Investment properties	1,815.92	-	1,815.92	-
Total	38,607.82	5,685.34	2,275.44	30,647.04

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

d) Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2020:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value				
Borrowings non current	1,676.23	-	-	1,676.23
Borrowings current	7,152.41	-	-	7,152.41
Current maturity of long term loan	612.50	-	-	612.50
Current maturity of vehicle loan	51.84	-	-	51.84
Trade payables	15,739.35	-	-	15,739.35
Accrued Salaries	1,292.36	-	-	1,292.36
Unsecured deposits from customers	1,122.90	-	-	1,122.90
Unpaid dividends	22.54	-	-	22.54
Other Liabilities	16.40	-	-	16.40
Amount payable for property, plant and equipment	797.62	-	-	797.62
Lease liabilities (right to use)	2,869.25	-	-	2,869.25
Total	31,353.38	-	-	31,353.38

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

47A ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT 2013, "GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS" FOR FINANCIAL YEAR ENDING MARCH 31, 2021:

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Statement Profit or (loss) (net of tax)		Share in other comprehensive income/(loss) (net of tax)		Share in total comprehensive income for the year, net of tax (comprising net profit for the year and other comprehensive income)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated total Comprehensive Income	Amount
1	Holding Company *								
	Lumax Auto Technologies Limited	91.97%	48,811.20	82.28%	4,208.73	100.03%	3,854.32	89.90%	8,063.05
2	Subsidiaries *								
	1. Lumax Mannoh Allied Technologies Limited	9.28%	4,924.38	20.74%	1,060.68	-0.25%	(9.56)	11.72%	1,051.12
	2. Lumax Integrated Ventures Private Limited	0.15%	78.32	-0.06%	(3.02)	0.00%	-	-0.03%	(3.02)
	3. Lumax Management Services Private Limited	10.91%	5,791.82	2.66%	136.07	0.27%	10.35	1.63%	146.42
	4. Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	1.66%	882.90	-8.82%	(451.40)	-0.01%	(0.37)	-5.04%	(451.77)
	5. Lumax FAE Technologies Private Limited	0.15%	81.81	-5.78%	(295.43)	0.00%	-	-3.29%	(295.43)
	6. Lumax JOPP Allied Technologies Private Limited	0.49%	259.09	-2.27%	(116.22)	-0.05%	(1.98)	-1.32%	(118.19)
	Adjustments related to above companies	0.00%	-	0.00%	-	0.02%	0.89	0.00%	-
	7. Lumax Cornaglia Auto Technologies Private Limited	6.22%	3,299.68	12.84%	656.72	0.01%	0.35	7.33%	657.07
	8. Lumax Yokowo Technologies Private Limited	0.03%	14.62	-0.12%	(6.38)	0.00%	-	-0.07%	(6.38)
3	Joint Ventures (Investment as per the equity method)								
	Sipal Engineering Private Limited	0.14%	76.26	0.48%	24.49	0.00%	-	0.27%	24.49
	Lumax Ituran Telematics Private Limited	0.05%	26.19	-0.66%	(33.82)	0.00%	-	-0.38%	(33.82)
	Less : Inter Company Eliminations	-21.06%	(11,174.38)	-1.27%	(65.01)	-0.02%	(0.89)	-0.72%	(65.01)
	Lumax Auto Technologies Limited (Consolidated)	100.00%	53,071.89	100.00%	5,115.41	100.00%	3,853.11	100.00%	8,968.52

* The above figures shown are before Inter Company eliminations/adjustments.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

47B ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III OF COMPANIES ACT 2013, "GENERAL INSTRUCTIONS FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS" FOR FINANCIAL YEAR ENDING MARCH 31, 2020:

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Statement Profit or (loss) (net of tax)		Share in other comprehensive income/(loss) (net of tax)		Share in total comprehensive income for the year, net of tax (comprising net profit for the year and other comprehensive income)	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated total Comprehensive Income	Amount
1	Holding Company *								
	Lumax Auto Technologies Limited	92.86%	41,429.73	100.45%	5,952.67	100.37%	(5,105.30)	100.97%	847.37
2	Subsidiaries *								
	1. Lumax Mannoh Allied Technologies Limited	9.07%	4,047.29	19.12%	1,133.10	-0.19%	9.60	136.17%	1,142.70
	2. Lumax Integrated Ventures Private Limited	0.18%	80.35	-0.31%	(18.52)	0.00%	-	-2.21%	(18.52)
	3. Lumax Management Services Private Limited	12.65%	5,642.23	0.44%	26.18	-0.08%	4.08	3.61%	30.26
	4. Lumax Cornaglia Auto Technologies Private Limited	5.92%	2,642.61	0.67%	39.74	-0.10%	5.30	5.37%	45.04
	5. Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	1.42%	634.67	-12.40%	(734.85)	0.00%	(0.09)	-87.58%	(734.94)
	6. Lumax FAE Technologies Private Limited	0.85%	377.24	-0.12%	(7.40)	0.00%	-	-0.88%	(7.40)
	7. Lumax JOPP Allied Technologies Private Limited	0.17%	77.28	-1.24%	(73.60)	0.00%	(0.11)	-8.78%	(73.72)
	8 Lumax Yokowo Technologies Private Limited	0.00%	1.00	0.00%	-	0.00%	-	0.00%	-
3	Joint Ventures (Investment as per the equity method)								
	Sipal Engineering Private Limited	0.12%	51.77	0.18%	10.51	0.00%	-	1.25%	10.51
	Lumax Ituran Telematics Private Limited	0.05%	23.40	-0.69%	(40.61)	0.00%	-	-4.84%	(40.61)
	Less : Inter Company Eliminations	-23.29%	(10,391.82)	-6.10%	(361.48)	0.00%	-	-43.07%	(361.48)
	Lumax Auto Technologies Limited (Consolidated)	100.00%	44,615.76	100.00%	5,925.73	100.00%	(5,086.53)	100%	839.20

* The above figures shown are before Inter Company eliminations/adjustments.

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

A. Market risk

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

The sensitivity analyses in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at March 31, 2021.

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

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2021 and March 31, 2020 including the effect of hedge accounting.

i) Interest rate risk

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

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

ii) Foreign currency risk

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

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

Foreign currency sensitivity

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

Exposure gain/(loss)	As at March 31, 2021		As at March 31, 2020	
	Change	Change	Change	Change
	+1%	-1%	+1%	-1%
Trade Payable	(7.60)	7.60	(2.95)	2.95
Trade Receivable	2.93	(2.93)	1.31	(1.31)

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

iii) Equity Price Risk

The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was ₹ 8,436.49 lakhs. A decrease of 10% on the NSE market index could have an impact of approximately ₹ 843.65 lakhs on the OCI or equity attributable to the Group. An increase of 10% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

B. Credit risk

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

Trade receivables

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

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable). The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

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

C. Liquidity risk

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

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

As at March 31, 2021	On Demand	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	4,684.45	2,000.58	552.42	-	7,237.45
Trade and other payables	-	20,478.59	-	-	20,478.59
Other financial liabilities	-	3,256.12	-	-	3,256.12
Total	4,684.45	25,735.29	552.42	-	30,972.16

As at March 31, 2020	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings	7,152.41	664.34	1,676.23	-	9,492.98
Trade and other payables	-	15,739.35	-	-	15,739.35
Other financial liabilities	-	3,251.81	-	-	3,251.81
Total	7,152.41	19,655.50	1,676.23	-	28,484.14

Notes to Consolidated financial statements

For the year ended March 31, 2021 (Contd.)

(All amounts are presented in ₹ Lakhs, unless otherwise stated)

- 49.** The management has analysed that no significant warranty claim is received by the Group in earlier years against the goods manufactured by the Group and further, the seller of traded goods warrants the Group that products will be free from defects in materials and workmanship under normal use and service and agrees to replace any defective parts under the conditions of standard warranty accompanying the products. Therefore, the Group has not made any provision for warranties and claims in its books of accounts for the year ended March 31, 2021.
- 50.** Revenue is measured by the Group at the transaction price i.e. amount of consideration received/ receivable in exchange for transferring promised goods or services to the customers. In determining the transaction price for the sale of products, the Group considers the effects of variable consideration including price adjustments to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors. Accordingly, revenue for the current year is net of price differences.
- 51.** During the year, the Holding Company has acquired a balance stake from the JV partner, Gill Austem LLC in respect of Lumax Gill Austem Auto Technologies Private Limited (Now Lumax Mettalics Private Limited), hence it has been considered as wholly owned subsidiary of the Holding Company.
- 52.** The Group's business research and development concentrates on the development of Automotive equipment. Research and development costs that are not eligible for capitalization have been expensed in the period incurred during the year ended March 31, 2021 this was an amount of ₹ 324.82 Lakhs (March 31, 2020: ₹ 370.56 Lakhs), and they are recognized in other expenses.
- 53.** The Group business activity falls within a single business segment i.e. manufacturing and trading of Automotive Components and therefore, segment reporting in terms of Ind-AS 108 on Segmental Reporting is not applicable.
- 54.** World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 23, 2020 and the Group temporarily suspended the operations in all the units of the Group in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. during the lock-down period which has been extended till May 17, 2020, However, production and supply of goods has commenced during the year ended March 31, 2021 on various dates at all the manufacturing locations of the Group. Accordingly, sales and profits for the quarter and year ended March 31, 2020 has been impacted and therefore, the results of this year ended are not comparable to previous corresponding year results. Second wave of COVID-19 has also impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities, etc.
- The Group has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, right of use assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 which may be different from that estimated as at the date of approval of these consolidated financial statements. The Group will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

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

As per our report of even date

S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

per Vikas Mehra

Partner

Membership No. 094421

Place : New Delhi

Date : June 12, 2021

For and on behalf of the Board of Directors of

Lumax Auto Technologies Limited

D.K. Jain

Chairman

DIN: 00085848

Ashish Dubey

Chief Financial Officer

Anmol Jain

Managing Director

DIN: 00004993

Anil Tyagi

Company Secretary

Membership No. A16825

Vikas Marwah

Chief Executive Officer

DIN: 08705643

Place : New Delhi

Date : June 12, 2021

AOC-1 Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(₹ in Lakhs)

Part "A" : Subsidiaries

	Name of the Subsidiaries									
	Lumax Mannoh Allied Technologies Limited	Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)	Lumax Integrated Ventures Private Limited	Lumax Cornaglia Auto Technologies Private Limited	Lumax Management Services Private Limited	Lumax FAE Technologies Private Limited	Lumax JOPP Allied Technologies Private Limited	Lumax Yokowo Technologies Private Limited *	Velomax Mobility Private Limited ^	Lumax Energy Solutions Private Limited ^
	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
A. Financial year ending on										
B. Equity Share capital	348.05	994.74	85.40	683.76	112.50	392.79	451.00	21.00	1.50	5.00
C. Other Equity	4,576.33	(111.84)	(9.53)	2,615.92	5,679.32	(310.98)	(191.91)	(6.38)	(2.08)	(3.33)
D. Total assets	9,857.20	2,108.60	77.13	7,465.19	7,326.88	3,162.36	378.98	16.69	0.03	2.26
E. Total Liabilities	4,932.82	1,225.70	1.26	4,165.52	1,535.05	3,080.55	119.89	2.07	0.61	0.59
F. Investments	-	-	-	-	-	-	-	-	-	-
G. Revenue from Contracts with Customers	12,299.39	1,309.89	-	7,262.43	2,313.89	141.99	135.80	-	-	-
H. Profit before taxation	1,429.72	(386.37)	(4.19)	827.99	158.39	(246.31)	(116.28)	(6.38)	(0.54)	(0.89)
I. Provision for taxation	369.04	65.03	-	171.27	22.32	49.12	(0.06)	-	-	-
J. Profit after taxation	1,060.68	(451.40)	(4.19)	656.72	136.07	(295.43)	(116.22)	(6.38)	(0.54)	(0.89)
K. Proposed Dividend	522.08	-	-	-	-	-	-	-	-	-
L. % of shareholding	55%	100%	100%	50%	100%	51%	50%	100%	100%	100%

AOC-1 Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) (Contd.)

(₹ in Lakhs)

Part "B" : Associates and Joint Ventures

	Lumax Ituran Telematics Private Limited	Sipal Engineering Private Limited ^{^^}
A. Latest audited Balance Sheet Date	March 31, 2021	March 31, 2021
B. Shares of Associate/Joint Ventures held		
- Number of Shares (nos)	12,96,001	719,100
- Amount of Investment in Associates and Joint Venture	26.19	76.26
C. Description of how there is significant influence	Associate	Associate
D. Reason why the Associate and Joint Venture is not consolidated	Consolidated	Consolidated
E. Net worth attributable to Shareholding as per latest audited Balance Sheet	52.28	168.25
F. Profit / (Loss) for the year	(67.64)	54.03
- Considered in Consolidation	(33.82)	24.49
- Not Considered in Consolidation	(33.82)	29.54

Notes :

- * Lumax Yokowo Technologies Private Limited yet to commence operations
- ^ Step down Subsidiary Companies
- ^^ Step down Associate

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

D.K. Jain
Chairman
DIN: 00085848

Ashish Dubey
Chief Financial Officer

Place : New Delhi
Date : June 12, 2021

Anmol Jain
Managing Director
DIN: 00004993

Anil Tyagi
Company Secretary
Membership No. A16825

Vikas Marwah
Chief Executive Officer
DIN: 08705643