

# 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, 2022, 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 its joint ventures as at March 31, 2022, 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 and its 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, 2022. 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.

| Key audit matters   | How our audit addressed the key audit matter  |
|---|---|
| <b>Revenue recognition and liabilities related to price variation</b> (as described in Note 50 of the consolidated financial statements)  |   |
| 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 adjustment to be passed on to the customers based on various parameters like negotiation based on savings on material and other factors. | <p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Assessed the Group's accounting policy for revenue recognition including the policy for recording price adjustments in terms of Ind AS 115.</li> <li>Obtained an understanding of the revenue process, and the assumptions used by the management in the process of estimation of price adjustments as per the customer contracts, evaluated design and implementation of controls, validation of management review controls and tested the operating effectiveness of controls relating to accrual of price adjustments.</li> </ul> |

## INDEPENDENT AUDITOR'S REPORT (Contd.)

| Key audit matters  | How our audit addressed the key audit matter  |
|--|---|
| <p>The Group's business requires passing on these credits to the customers once negotiation are finally settled with the customers. The estimated liabilities based on various negotiation/consideration at year end 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> | <ul style="list-style-type: none"> <li>• Evaluated management's methodology and assumptions used in the estimation of price adjustments as per customer contracts including the relevance and reliability of underlying historical data, developments during the year and assumption used.</li> <li>• Tested completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments as per customer contracts.</li> <li>• Performed procedures to verify that all transactions relating to accrual of price adjustments are properly recorded in the books of the accounts.</li> <li>• Tested, on sample basis, credit notes issued and payments made as per customer contracts/ agreed price negotiations.</li> <li>• Performed analytical procedures to identify any unusual trends and identify unusual items for further testing.</li> </ul> |

### Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, Management Discussion & Analysis report, and Corporate governance 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 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

## INDEPENDENT AUDITOR'S REPORT (Contd.)

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 and whose financial information we have audited, 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.

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, 2022 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 Seven subsidiaries, whose financial statements include total assets of ₹ 28,150.03 lakhs as at March 31, 2022, and total revenues of ₹ 27,703.10 lakhs and net cash inflows of ₹ 1,376.70 lakhs for the year ended on that date. These financial statement and other financial information

## INDEPENDENT AUDITOR'S REPORT (Contd.)

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 ₹ 57.41 lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of joint ventures, 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, 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 and 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.

### Report on Other Legal and Regulatory Requirements

2. 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/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, 2022 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, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure1" to this report;
  - (g) In our opinion the managerial remuneration for the year ended March 31, 2022 has been paid/ provided by the Holding Company and two of its subsidiaries to their directors in accordance with the provision of Section 197 read with Schedule V to the Act. Further, this clause does not apply to the remaining 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, associates 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;

## INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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, 2022;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group and joint ventures, incorporated in India during the year ended March 31, 2022.
- iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- As stated in note 42(a) to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**per Amit Yadav**

Partner

Membership Number: 501753

UDIN: 22501753AIVYTW5697

Place of Signature: Gurugram

Date: May 12, 2022

## **ANNEXURE-I 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, 2022, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO 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

## **ANNEXURE-I TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF LUMAX AUTO TECHNOLOGIES LIMITED (Contd.)**

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, 2022, 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 Seven 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 four subsidiaries 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 Amit Yadav**  
Partner  
Membership Number: 501753  
UDIN: 22501753AIVYTW5697  
Place of Signature: Gurugram  
Date: May 12, 2022

# CONSOLIDATED BALANCE SHEET

## AS AT MARCH 31, 2022

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

|  | Notes            | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|------------------|-------------------------|-------------------------|
| <b>ASSETS</b>  |                  |                         |                         |
| <b>I. Non-current assets</b>   |                  |                         |                         |
| Property, plant and equipment  | 3 (a)            | 34,915.11               | 33,153.91               |
| Capital work in progress   | 3 (b)            | 1,212.89                | 932.86                  |
| Intangible assets  | 4                | 508.55                  | 333.06                  |
| Right-to-use assets  | 5                | 4,201.44                | 2,810.32                |
| Investment property  | 6                | 1,289.24                | 1,758.51                |
| Investment in joint venture  | 7                | 1.46                    | 102.45                  |
| Goodwill   | 4                | 16.64                   | 16.64                   |
| Income tax assets (net)  | 8 (a)            | 676.81                  | 678.73                  |
| <b>Financial assets</b>  |                  |                         |                         |
| - Investments  | 9                | 5,301.46                | 8,940.14                |
| - Loans  | 10               | 44.00                   | 11.26                   |
| - Other financial assets   | 11               | 1,268.30                | 612.11                  |
| Deferred tax assets (net)  | 22               | 7.82                    | 8.54                    |
| Other non-current assets   | 12               | 1,487.88                | 934.14                  |
| <b>Total non-current assets</b>  | <b>(A)</b>       | <b>50,931.60</b>        | <b>50,292.67</b>        |
| <b>II. Current assets</b>  |                  |                         |                         |
| Inventories  | 13               | 11,175.69               | 8,358.76                |
| <b>Financial assets</b>  |                  |                         |                         |
| - Investments  | 9                | 6,897.44                | 4,034.91                |
| - Loans  | 10               | 60.10                   | 57.90                   |
| - Trade receivables  | 14               | 26,638.64               | 22,298.19               |
| - Cash and cash equivalents  | 15               | 4,840.83                | 1,665.77                |
| - Other bank balances  | 16               | 8,998.86                | 8,130.47                |
| - Other financial assets   | 11               | 246.21                  | 1,269.83                |
| Other current assets   | 12               | 4,101.41                | 2,857.37                |
| <b>Total current assets</b>  | <b>(B)</b>       | <b>62,959.18</b>        | <b>48,673.20</b>        |
| <b>Total Assets</b>  | <b>(A+B)</b>     | <b>1,13,890.78</b>      | <b>98,965.87</b>        |
| <b>EQUITY AND LIABILITIES</b>  |                  |                         |                         |
| <b>I. Equity</b>   |                  |                         |                         |
| Equity share capital   | 17               | 1,363.15                | 1,363.15                |
| Other equity   | 18               | 53,029.32               | 51,708.74               |
| <b>Total equity</b>  | <b>(A)</b>       | <b>54,392.47</b>        | <b>53,071.89</b>        |
| <b>Non-Controlling interest</b>  | <b>(B)</b>       | <b>6,077.44</b>         | <b>4,036.62</b>         |
| <b>Liabilities</b>   |                  |                         |                         |
| <b>II. Non-current liabilities</b>   |                  |                         |                         |
| <b>Financial liabilities</b>   |                  |                         |                         |
| - Borrowings   | 19               | 1,022.89                | 552.42                  |
| - Lease Liability  | 20               | 3,311.18                | 1,868.26                |
| Employee benefit Liabilities   | 21               | 692.75                  | 630.65                  |
| Deferred tax liabilities (net)   | 22               | 1,416.74                | 1,405.82                |
| <b>Total Non-Current Liabilities</b>   | <b>(C)</b>       | <b>6,443.56</b>         | <b>4,457.15</b>         |
| <b>III. Current liabilities</b>  |                  |                         |                         |
| <b>Financial liabilities</b>   |                  |                         |                         |
| - Borrowings   | 19               | 11,431.03               | 6,685.03                |
| - Lease Liability  | 20               | 735.56                  | 734.36                  |
| - Trade payables   | 24               |                         |                         |
| - total outstanding dues of micro and small enterprises                      |                  | 2,780.14                | 2,285.71                |
| - total outstanding dues of creditors other than micro and small enterprises |                  | 20,321.95               | 18,192.88               |
| - Other financial liabilities  | 25               | 3,272.20                | 3,256.12                |
| Employee benefit Liabilities   | 21               | 1,712.00                | 1,544.01                |
| Other current liabilities  | 23               | 6,663.26                | 4,435.02                |
| Current tax liabilities (net)  | 8 (b)            | 61.17                   | 267.08                  |
| <b>Total Current Liabilities</b>   | <b>(D)</b>       | <b>46,977.31</b>        | <b>37,400.21</b>        |
| <b>Total Liabilities</b>   | <b>(C+D)</b>     | <b>53,420.87</b>        | <b>41,857.36</b>        |
| <b>Total Equity and Liabilities</b>  | <b>(A+B+C+D)</b> | <b>1,13,890.78</b>      | <b>98,965.87</b>        |

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

As per our report of even date

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

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Amit Yadav**

Partner

Membership No. 501753

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Anmol Jain**

Managing Director

DIN: 00004993

**Vikas Marwah**

Chief Executive Officer

**Ashish Dubey**

Chief Financial Officer

**Anil Tyagi**

Company Secretary

Membership No.: A16825

Place : Gurugram

Date : May 12, 2022



# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

## FOR THE YEAR ENDED MARCH 31, 2022

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

|  | Notes  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------|--------------------------------------|--------------------------------------|
| <b>Income</b>  |        |                                      |                                      |
| <b>I</b> Revenue from contracts with customers   | 26     | 1,50,792.43                          | 1,10,792.85                          |
| <b>II</b> Other income   | 27     | 1,281.29                             | 1,818.47                             |
| <b>III Total income (I+II)</b>   |        | <b>1,52,073.72</b>                   | <b>1,12,611.32</b>                   |
| <b>Expenses</b>  |        |                                      |                                      |
| Cost of raw material and components consumed   | 28     | 79,843.59                            | 58,522.41                            |
| Cost of moulds consumed  | 29     | 2,216.87                             | 1,151.02                             |
| Purchases of traded goods  | 28 (a) | 21,282.11                            | 15,861.99                            |
| (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods  | 30     | (549.58)                             | (461.17)                             |
| Employee benefits expense  | 31     | 16,275.19                            | 13,240.56                            |
| Finance costs  | 32     | 933.03                               | 982.17                               |
| Depreciation and amortization expense  | 33     | 3,950.59                             | 3,415.14                             |
| Other expenses   | 34     | 16,598.90                            | 12,676.66                            |
| <b>IV Total expenses</b>   |        | <b>1,40,550.70</b>                   | <b>1,05,388.78</b>                   |
| <b>V Profit before share of joint ventures, exceptional items and tax (III-IV)</b>   |        | <b>11,523.02</b>                     | <b>7,222.54</b>                      |
| <b>VI</b> Share of loss of Joint Ventures  |        | (57.41)                              | (9.33)                               |
| <b>VII Profit before exceptional items and tax (V+VI)</b>  |        | <b>11,465.61</b>                     | <b>7,213.21</b>                      |
| <b>VIII Exceptional Item</b>   | 35     | 175.05                               | 63.00                                |
| <b>IX Profit before tax (VII-VIII)</b>   |        | <b>11,290.56</b>                     | <b>7,150.21</b>                      |
| <b>Tax expense:</b>  |        |                                      |                                      |
| Current tax  | 22     | 3,117.11                             | 1,958.93                             |
| Adjustment of tax relating to earlier years  | 22     | (34.69)                              | (49.23)                              |
| Deferred tax   | 22     | 20.76                                | 125.10                               |
| <b>X Total tax expense</b>   |        | <b>3,103.18</b>                      | <b>2,034.80</b>                      |
| <b>XI Profit for the year (IX-X)</b>   |        | <b>8,187.38</b>                      | <b>5,115.41</b>                      |
| <b>Other comprehensive income/ (loss) (net of tax)</b>   |        |                                      |                                      |
| <b>Other comprehensive income/ (loss) not to be reclassified to statement of profit or loss in subsequent period</b>                     |        |                                      |                                      |
| Re-measurement gain/ (loss) on defined benefit plans   | 36     | 62.46                                | (73.03)                              |
| Income tax effect  | 36     | (15.73)                              | 7.82                                 |
| (Loss)/ gain on FVTOCI equity securities   | 36     | (3,638.68)                           | 3,925.98                             |
| Income tax effect  | 36     | 26.21                                | (7.66)                               |
| <b>XII Other comprehensive income/ (loss) for the year, net of tax</b>   |        | <b>(3,565.74)</b>                    | <b>3,853.11</b>                      |
| <b>XIII Total comprehensive income for the year (Comprising net profit for the year and other comprehensive income/ (loss)) (XI+XII)</b> |        | <b>4,621.64</b>                      | <b>8,968.52</b>                      |
| <b>XIV Profit attributable to:</b>   |        |                                      |                                      |
| a) Owners of Lumax Auto Technologies Limited   |        | 6,940.90                             | 4,712.96                             |
| b) Non-controlling interest  |        | 1,246.48                             | 402.45                               |
| <b>c) Total Profit (a+b)</b>   |        | <b>8,187.38</b>                      | <b>5,115.41</b>                      |
| <b>XV Other comprehensive income/ (loss) attributable to:</b>  |        |                                      |                                      |
| a) Owners of Lumax Auto Technologies Limited   |        | (3,575.58)                           | 3,858.23                             |
| b) Non-controlling interest  |        | 9.84                                 | (5.12)                               |
| <b>c) Total other comprehensive income/ (loss) (a+b)</b>   |        | <b>(3,565.74)</b>                    | <b>3,853.11</b>                      |
| <b>XVI Total comprehensive income attributable to:</b>   |        |                                      |                                      |
| a) Owners of Lumax Auto Technologies Limited   |        | 3,365.32                             | 8,571.19                             |
| b) Non-controlling interest  |        | 1,256.32                             | 397.33                               |
| <b>c) Total comprehensive income (a+b)</b>   |        | <b>4,621.64</b>                      | <b>8,968.52</b>                      |
| <b>XVII Earnings per share (per share of face value ₹ 2 each) :</b>  |        |                                      |                                      |
| Earnings per share:  |        |                                      |                                      |
| - Basic and diluted (in ₹)   | 37     | 10.18                                | 6.91                                 |

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 Amit Yadav**

Partner

Membership No. 501753

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Anmol Jain**

Managing Director

DIN: 00004993

**Vikas Marwah**

Chief Executive Officer

**Ashish Dubey**

Chief Financial Officer

**Anil Tyagi**

Company Secretary

Membership No.: A16825

Place : Gurugram

Date : May 12, 2022

## CONSOLIDATED CASH FLOW STATEMENT

### FOR THE YEAR ENDED MARCH 31, 2022

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

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| <b>Cash Flow from Operating Activities</b>  |                                      |                                      |
| <b>Profit before tax</b>  | 11,290.56                            | 7,150.21                             |
| Non-cash adjustments:   |                                      |                                      |
| <b>Adjustment to reconcile profit before tax to net cash flows</b>  |                                      |                                      |
| Depreciation of property, plant & equipment, intangible assets, Right-to-use assets and Investment properties | 3,950.59                             | 3,415.14                             |
| Profit on sale of Property, plant and equipment   | (83.02)                              | (258.03)                             |
| Dividend Income   | (36.77)                              | (31.51)                              |
| Liabilities/provisions no longer required, written back   | (43.60)                              | (184.12)                             |
| Share of loss of joint ventures   | 57.41                                | 9.33                                 |
| Provision for doubtful debts  | 1.98                                 | 46.68                                |
| Outstanding balances written off  | 0.27                                 | 1.20                                 |
| Unrealized exchange loss/ (gain)  | 7.52                                 | (22.25)                              |
| Rent income   | (324.16)                             | (244.78)                             |
| Interest income   | (404.16)                             | (411.91)                             |
| Interest expenses   | 933.03                               | 982.17                               |
| Unrealized gain on investment in mutual fund  | (157.27)                             | (182.53)                             |
| <b>Operating profit before working capital changes</b>  | <b>15,192.38</b>                     | <b>10,269.60</b>                     |
| <b>Movements in working capital :</b>   |                                      |                                      |
| Increase in trade receivables   | (4,336.17)                           | (3,079.41)                           |
| Decrease/ (Increase) in financial assets  | 388.31                               | (1,042.23)                           |
| (Increase)/ Decrease in other assets  | (1,188.15)                           | 114.68                               |
| Increase in inventories   | (2,816.93)                           | (1,916.15)                           |
| Increase in trade payable and other payable   | 2,652.61                             | 4,957.64                             |
| Increase in current liabilities, provisions and financial liability   | 2,139.15                             | 1,967.74                             |
| <b>Cash generated from operations</b>   | <b>12,031.20</b>                     | <b>11,271.87</b>                     |
| Direct taxes paid   | (3,286.41)                           | (1,452.86)                           |
| <b>Net cash generated from operating activities (A)</b>   | <b>8,744.79</b>                      | <b>9,819.01</b>                      |
| <b>Cash Flow from Investing Activities</b>  |                                      |                                      |
| Purchase of Property, plant and equipment (including capital work in progress and capital advances)           | (5,149.37)                           | (4,299.16)                           |
| Proceeds from sale of property, plant and equipment   | 472.76                               | 80.71                                |
| Proceeds from investment made by non-controlling interest   | 1,013.56                             | 70.06                                |
| Dividend income   | 36.77                                | 31.51                                |
| Realization from/ (Investment in) Joint ventures  | 51.52                                | (36.61)                              |
| Purchase of current investments (Net)   | (2,705.26)                           | (2,721.68)                           |
| Investment in bank deposits   | (868.39)                             | (1,464.42)                           |
| Rent received   | 324.16                               | 244.78                               |
| Interest received   | 288.91                               | 510.77                               |
| <b>Net cash used in investing activities (B)</b>  | <b>(6,535.34)</b>                    | <b>(7,584.04)</b>                    |

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| <b>Cash Flow from Financing Activities</b>                               |                                      |                                      |
| (Repayment of)/ Proceeds from long term borrowings (net)                 | (977.03)                             | 212.43                               |
| Proceeds from/ (Repayment of) short term borrowings (net)                | 6,193.50                             | (2,467.96)                           |
| Dividend paid  | (2,279.67)                           | (759.89)                             |
| Interest paid  | (935.22)                             | (982.91)                             |
| Payment of principal portion of lease liabilities                        | (1,035.97)                           | (266.63)                             |
| <b>Net cash generated from/ (used in) financing activities (C)</b>       | <b>965.61</b>                        | <b>(4,264.96)</b>                    |
| <b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b> | <b>3,175.06</b>                      | <b>(2,029.99)</b>                    |
| Cash and cash equivalents at the beginning of the year                   | 1,665.77                             | 3,695.76                             |
| <b>Cash and cash equivalents at the end of the year</b>                  | <b>4,840.83</b>                      | <b>1,665.77</b>                      |
| <b>Components of cash and cash equivalents</b>                           |                                      |                                      |
| Cash on hand   | 11.94                                | 12.15                                |
| Balance with banks   |                                      |                                      |
| - On current accounts  | 1,173.89                             | 1,193.62                             |
| - Deposits with original maturity of less than three months              | 3,655.00                             | 460.00                               |
| <b>Total cash and cash equivalents (refer note 15)</b>                   | <b>4,840.83</b>                      | <b>1,665.77</b>                      |

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

As per our report of even date

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

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Amit Yadav**

Partner

Membership No. 501753

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Anmol Jain**

Managing Director

DIN: 00004993

**Vikas Marwah**

Chief Executive Officer

**Ashish Dubey**

Chief Financial Officer

**Anil Tyagi**

Company Secretary

Membership No.: A16825

Place : Gurugram

Date : May 12, 2022

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

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

|  | Equity Share Capital (1) | Other Equity      |                 |                    |                 |                 | Non-controlling interest | Total Equity (1+2) |
|--|--------------------------|-------------------|-----------------|--------------------|-----------------|-----------------|--------------------------|--------------------|
|  |                          | Retained Earnings | Capital Reserve | Securities Premium | General Reserve | FVTOCI Reserve  |                          |                    |
| <b>As at April 01, 2020</b>                                  | <b>1,363.15</b>          | <b>34,042.18</b>  | <b>289.31</b>   | <b>4,528.55</b>    | <b>1,726.40</b> | <b>2,666.18</b> | <b>4,214.06</b>          | <b>44,615.77</b>   |
| Add: Profit for the year                                     | -                        | 4,712.96          | -               | -                  | -               | -               | 402.45                   | 4,712.96           |
| Add: Other comprehensive income/(loss)                       | -                        | (60.09)           | -               | -                  | -               | 3,918.32        | (5.12)                   | 3,858.23           |
| Add: Contribution from Non-controlling interest/ adjustments | -                        | 534.47            | 32.05           | -                  | -               | -               | (496.46)                 | 566.52             |
| Less: Dividend Paid  | -                        | (681.58)          | -               | -                  | -               | -               | (78.31)                  | (681.58)           |
| <b>As at March 31, 2021</b>                                  | <b>1,363.15</b>          | <b>38,547.93</b>  | <b>321.36</b>   | <b>4,528.55</b>    | <b>1,726.40</b> | <b>6,584.50</b> | <b>4,036.62</b>          | <b>53,071.89</b>   |
| Add: Profit for the year                                     | -                        | 6,940.90          | -               | -                  | -               | -               | 1,246.48                 | 6,940.90           |
| Add: Other comprehensive income/(loss)                       | -                        | 36.89             | -               | -                  | -               | (3,612.47)      | 9.84                     | (3,575.58)         |
| Add: Contribution from Non-controlling interest/ adjustments | -                        | -                 | -               | -                  | -               | -               | 1,019.43                 | -                  |
| Less: Dividend Paid  | -                        | (2,044.74)        | -               | -                  | -               | -               | (234.93)                 | (2,044.74)         |
| <b>As at March 31, 2022</b>                                  | <b>1,363.15</b>          | <b>43,480.98</b>  | <b>321.36</b>   | <b>4,528.55</b>    | <b>1,726.40</b> | <b>2,972.03</b> | <b>6,077.44</b>          | <b>54,392.47</b>   |

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

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

**per Amit Yadav**  
Partner  
Membership No. 501753

Place : Gurugram  
Date : May 12, 2022

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

**D.K. Jain**  
Chairman  
DIN: 00085848

**Vikas Marwah**  
Chief Executive Officer

**Anmol Jain**  
Managing Director  
DIN: 00004993

**Ashish Dubey**  
Chief Financial Officer

**Anil Tyagi**  
Company Secretary  
Membership No.: A16825

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 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, 2022. 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 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 May 12, 2022.

## 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, 2022. 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, 2022.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (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 interest, even if this results in the non-controlling interest 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

### **Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their 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 plant, property 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:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

| Assets                  | Useful Lives estimated by the management (in years) |
|-------------------------|---|
| Factory Building        | 30  |
| Other Building          | 30 to 60  |
| Computers               | 3   |
| Office equipments       | 5   |
| Furniture and fixtures  | 10  |
| Vehicles                | 5   |
| Electrical Installation | 10  |

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          | 8-21  |
| Plant and Machineries (Robots) | 12  |
| Moulds                         | 9   |

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.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

The Group depreciates building component of investment property over 30 years from the date of original purchase.

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 of 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.

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-to-use assets representing the right to use the underlying assets.

### i. Right-to-use assets

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

Land & Building: 2-12 years

Solar Power: 15 years

Leasehold land: 99 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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 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 labor, 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.
- **Moulds:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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.

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 120 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 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

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 programs wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme program such as discounts. Revenue from contracts with customers is presented deducting cost of all these schemes.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

### 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.

### 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 under the head "other income" in the statement of profit and loss.

### 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 favorable 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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.

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 recognises 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

### 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 OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **Deferred tax**

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a 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 recognised 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 utilised

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 OCI 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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 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 Group according to the nature of business of the Group which includes manufacturing and selling of automobile components. Accordingly, the Group has only one primary segment.

#### Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Group 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 program 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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.

### 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, maximizing the use of relevant observable inputs and minimizing 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



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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 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:

- Debt instruments at amortised cost.
- Debt instruments at fair value through other comprehensive income (FVTOCI).
- Debt instruments, derivatives and equity instruments at fair value through profit and loss (FVTPL).
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

#### Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- 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 amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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 recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

### **Debt Instruments at fair value through OCI (FVTOCI)**

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 recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

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 recognised 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 recognised in the statement of profit and loss when the right of payment has been established.

### **Equity Instruments at fair value through OCI (FVTOCI)**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments

which are held for trading or/and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### **De-recognition**

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized (i.e. removed from the 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

associated liability are measured on a basis that reflects the rights and obligations that the Group 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 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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 analyzed.

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

### AC. Business Combination

Business Combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the 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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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) Ind AS 116: COVID-19 related rent concessions:

MCA issued an amendment to Ind AS 116 COVID-19-Related Rent Concessions beyond June 30, 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before June 30, 2022 from June 30, 2021. The amendment applies to annual reporting periods beginning on or after April 01, 2021. 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, 2020.

These amendments had no impact on the financial statements of the Group.

#### ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind

AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 01, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after April 01, 2021.

These amendments had no impact on the financial statements of the Group.

#### iii) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Group.

### 2.5 Standards issued but not effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022 to amend the following Ind AS which are effective from April 01, 2022.

#### (i) Onerous Contracts: Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labor and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

### (ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Group.

### (iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Group.

### (iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based

on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022 but do not apply to the Group as it was first time adopter in an earlier year.

### (v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have a material impact on the Group.

### (vi) Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments are not expected to have any impact on the Group as it does not carry on any agricultural activities.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (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

The details of property, plant and equipment :

|                        | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|------------------------|-------------------------|-------------------------|
| Land                   | 3,211.09                | 2,936.30                |
| Buildings              | 8,521.71                | 8,324.71                |
| Lease Hold Improvement | 699.09                  | 243.28                  |
| Plant and Equipments   | 20,904.49               | 20,105.09               |
| Furniture and Fixtures | 891.44                  | 881.93                  |
| Office Equipments      | 266.27                  | 289.89                  |
| Vehicles               | 213.81                  | 196.81                  |
| Computers              | 207.21                  | 175.89                  |
| <b>Total</b>           | <b>34,915.11</b>        | <b>33,153.91</b>        |

#### 3(b) Capital work in progress

The details of capital work in progress:

|                          | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------------|-------------------------|-------------------------|
| Capital work in progress | 1,212.89                | 932.86                  |
| <b>Total</b>             | <b>1,212.89</b>         | <b>932.86</b>           |

#### Capital work in progress (CWIP) Ageing Schedule

As at March 31, 2022

| CWIP                           | Amount in CWIP for a period of |           |           |                   | Total   |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|---------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |         |
| Projects in progress           | 1156.92                        | 55.97     | -         | -                 | 1212.89 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -       |

As at March 31, 2021

| CWIP                           | Amount in CWIP for a period of |           |           |                   | Total  |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in progress           | 843.63                         | 68.64     | 20.59     | -                 | 932.86 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -      |

The projects in progress are not overdue in terms of time and cost from their original approved plan.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 3.1 Property, plant and equipment

|                                     | Freehold Land   | Buildings        | Lease Hold Improvement | Plant and equipments | Furniture and fixtures | Office equipments | Vehicles        | Computers     | Total            |
|-------------------------------------|-----------------|------------------|------------------------|----------------------|------------------------|-------------------|-----------------|---------------|------------------|
| <b>Cost or valuation</b>            |                 |                  |                        |                      |                        |                   |                 |               |                  |
| As at April 01, 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)        | (91.66)          |
| Adjustment*                         | (557.12)        | -                | 10.60                  | -                    | -                      | -                 | -               | -             | (546.52)         |
| <b>As at March 31, 2021</b>         | <b>2,936.30</b> | <b>10,485.16</b> | <b>327.17</b>          | <b>37,278.86</b>     | <b>1,381.22</b>        | <b>786.90</b>     | <b>1,102.46</b> | <b>821.93</b> | <b>55,120.00</b> |
| Additions                           | -               | 295.96           | 570.83                 | 3,134.97             | 125.49                 | 64.03             | 114.60          | 125.97        | 4,431.85         |
| Disposals                           | -               | -                | -                      | (83.91)              | (0.31)                 | (0.08)            | (74.00)         | (1.16)        | (159.46)         |
| Adjustment**                        | 274.79          | 356.45           | -                      | -                    | -                      | -                 | -               | -             | 631.24           |
| Acquisition Adjustment #            | -               | -                | -                      | 14.26                | -                      | -                 | 12.41           | 6.21          | 32.88            |
| <b>As at March 31, 2022</b>         | <b>3,211.09</b> | <b>11,137.57</b> | <b>898.00</b>          | <b>40,344.18</b>     | <b>1,506.40</b>        | <b>850.85</b>     | <b>1,155.47</b> | <b>952.95</b> | <b>60,056.51</b> |
| <b>Depreciation and Impairments</b> |                 |                  |                        |                      |                        |                   |                 |               |                  |
| As at April 01, 2020                | 73.28           | 1,899.14         | 23.67                  | 15,214.87            | 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)          |
| <b>As at March 31, 2021</b>         | <b>-</b>        | <b>2,160.45</b>  | <b>83.89</b>           | <b>17,173.77</b>     | <b>499.29</b>          | <b>497.01</b>     | <b>905.65</b>   | <b>646.03</b> | <b>21,966.09</b> |
| Depreciation Charge for the year    | -               | 276.02           | 115.02                 | 2,311.45             | 115.98                 | 87.65             | 98.71           | 97.49         | 3,102.32         |
| Disposal                            | -               | -                | -                      | (48.55)              | (0.31)                 | (0.08)            | (68.19)         | (0.74)        | (117.87)         |
| Adjustment**                        | -               | 179.39           | -                      | -                    | -                      | -                 | -               | -             | 179.39           |
| Acquisition Adjustment #            | -               | -                | -                      | 3.02                 | -                      | -                 | 5.49            | 2.96          | 11.47            |
| <b>As at March 31, 2022</b>         | <b>-</b>        | <b>2,615.86</b>  | <b>198.91</b>          | <b>19,439.69</b>     | <b>614.96</b>          | <b>584.58</b>     | <b>941.66</b>   | <b>745.74</b> | <b>25,141.40</b> |
| <b>Net Block</b>                    |                 |                  |                        |                      |                        |                   |                 |               |                  |
| <b>As at March 31, 2022</b>         | <b>3,211.09</b> | <b>8,521.71</b>  | <b>699.09</b>          | <b>20,904.49</b>     | <b>891.44</b>          | <b>266.27</b>     | <b>213.81</b>   | <b>207.21</b> | <b>34,915.11</b> |
| <b>As at March 31, 2021</b>         | <b>2,936.30</b> | <b>8,324.71</b>  | <b>243.28</b>          | <b>20,105.09</b>     | <b>881.93</b>          | <b>289.89</b>     | <b>196.81</b>   | <b>175.90</b> | <b>33,153.91</b> |

\*Adjustment was on account of reclassification of leasehold land from Property, plant and equipment to Right-to-use Asset in terms of Ind AS 116 "Leases". The said classification was having no impact on the statement of Profit and Loss.

\*\* Transfer from Investment property to property, plant and equipment being assets given on lease to one of the subsidiary companies of Holding Company.

# Refer note 51

On transition to Ind AS (i.e. April 01, 2016), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 4. INTANGIBLE ASSETS

#### a) Details of intangible assets:

|                    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------|-------------------------|-------------------------|
| Computer software  | 400.84                  | 208.73                  |
| Technical Know-How | 107.71                  | 124.33                  |
| <b>Total</b>       | <b>508.55</b>           | <b>333.06</b>           |

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

|                                  | Computer<br>Software | Technical<br>Know-How | Total           |
|----------------------------------|----------------------|-----------------------|-----------------|
| <b>Cost</b>                      |                      |                       |                 |
| As at April 01, 2020             | 823.85               | 186.52                | 1,010.37        |
| Additions                        | 82.91                | 132.99                | 215.90          |
| Disposals                        | (1.42)               | -                     | (1.42)          |
| <b>As at March 31, 2021</b>      | <b>905.34</b>        | <b>319.51</b>         | <b>1,224.85</b> |
| Additions                        | 89.25                | -                     | 89.25           |
| Acquisition Adjustment *         | 200.77               | -                     | 200.77          |
| Disposals                        | (3.06)               | -                     | (3.06)          |
| <b>As at March 31, 2022</b>      | <b>1,192.30</b>      | <b>319.51</b>         | <b>1,511.81</b> |
| <b>Amortization</b>              |                      |                       |                 |
| As at April 01, 2020             | 629.28               | 185.98                | 815.26          |
| Amortization charge for the year | 68.75                | 9.20                  | 77.95           |
| Disposals                        | (1.42)               | -                     | (1.42)          |
| <b>As at March 31, 2021</b>      | <b>696.61</b>        | <b>195.18</b>         | <b>891.79</b>   |
| Amortization charge for the year | 94.87                | 16.62                 | 111.49          |
| Acquisition Adjustment *         | 3.04                 | -                     | 3.04            |
| Disposals                        | (3.06)               | -                     | (3.06)          |
| <b>As at March 31, 2022</b>      | <b>791.46</b>        | <b>211.80</b>         | <b>1,003.26</b> |
| <b>Net book value</b>            |                      |                       |                 |
| <b>As at March 31, 2022</b>      | <b>400.84</b>        | <b>107.71</b>         | <b>508.55</b>   |
| As at March 31, 2021             | 208.73               | 124.33                | 333.06          |

\* Refer note 51

#### c) Details of Goodwill:

|              | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------|-------------------------|-------------------------|
| Goodwill     | 16.64                   | 16.64                   |
| <b>Total</b> | <b>16.64</b>            | <b>16.64</b>            |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 5. RIGHT-TO-USE ASSETS

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

|                                  | Land          | Solar Power Plant | Buildings       | Total           |
|----------------------------------|---------------|-------------------|-----------------|-----------------|
| <b>Cost</b>                      |               |                   |                 |                 |
| As at April 01, 2020             | -             | 436.44            | 2,732.71        | 3,169.15        |
| Additions                        | -             | -                 | 136.02          | 136.02          |
| Adjustment*                      | 546.52        | -                 | -               | 546.52          |
| Disposals                        | -             | -                 | (34.10)         | (34.10)         |
| <b>As at March 31, 2021</b>      | <b>546.52</b> | <b>436.44</b>     | <b>2,834.63</b> | <b>3,817.59</b> |
| Additions                        | -             | -                 | 2,082.85        | 2,082.85        |
| <b>As at March 31, 2022</b>      | <b>546.52</b> | <b>436.44</b>     | <b>4,917.48</b> | <b>5,900.44</b> |
| <b>Amortization</b>              |               |                   |                 |                 |
| As at April 01, 2020             | -             | 20.98             | 414.50          | 435.48          |
| Amortization charge for the year | -             | 29.09             | 496.51          | 525.60          |
| Adjustment*                      | 68.96         | -                 | -               | 68.96           |
| Disposals                        | -             | -                 | (22.77)         | (22.77)         |
| <b>As at March 31, 2021</b>      | <b>68.96</b>  | <b>50.07</b>      | <b>888.24</b>   | <b>1,007.27</b> |
| Amortization charge for the year | 6.09          | 29.09             | 656.55          | 691.73          |
| <b>As at March 31, 2022</b>      | <b>75.05</b>  | <b>79.16</b>      | <b>1,544.79</b> | <b>1,699.00</b> |
| <b>Net book value</b>            |               |                   |                 |                 |
| <b>As at March 31, 2022</b>      | <b>471.47</b> | <b>357.28</b>     | <b>3,372.69</b> | <b>4,201.44</b> |
| <b>As at March 31, 2021</b>      | <b>477.56</b> | <b>386.37</b>     | <b>1,946.39</b> | <b>2,810.32</b> |

\*Adjustment was on account of reclassification of leasehold land from Property, plant and equipment to Right-to-use Asset in terms of Ind AS 116 "Leases". The said classification was having no impact on the statement of Profit and Loss.

(ii) The following is the carrying value of lease liability and movement thereof during the year ended March 31, 2022:

|   | Solar Power Plant | Buildings       | Total           |
|---|-------------------|-----------------|-----------------|
| <b>Cost</b>                               |                   |                 |                 |
| As at April 01, 2020                      | 420.42            | 2,448.82        | 2,869.24        |
| Additions                                 | -                 | 136.02          | 136.02          |
| Add: Finance cost accrued during the year | 6.33              | 196.34          | 202.67          |
| Disposals                                 | -                 | (11.33)         | (11.33)         |
| Less: Payment of lease liabilities        | 22.70             | 571.28          | 593.98          |
| <b>As at March 31, 2021</b>               | <b>404.05</b>     | <b>2,198.57</b> | <b>2,602.62</b> |
| Additions                                 | -                 | 2,020.33        | 2,020.33        |
| Add: Finance cost accrued during the year | 6.06              | 226.04          | 232.10          |
| Less: Payment of lease liabilities        | 30.86             | 777.45          | 808.31          |
| <b>As at March 31, 2022</b>               | <b>379.25</b>     | <b>3,667.49</b> | <b>4,046.74</b> |
| <b>Current</b>                            | <b>25.72</b>      | <b>709.84</b>   | <b>735.56</b>   |
| <b>Non-Current</b>                        | <b>353.53</b>     | <b>2,957.65</b> | <b>3,311.18</b> |
| <b>As at March 31, 2021</b>               |                   |                 |                 |
| <b>Current</b>                            | <b>24.54</b>      | <b>709.82</b>   | <b>734.36</b>   |
| <b>Non-Current</b>                        | <b>379.51</b>     | <b>1,488.75</b> | <b>1,868.26</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

(iii) The Group has applied weighted average incremental borrowing rate to lease liabilities.

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

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Depreciation expense of right-to-use assets                        | 691.73                  | 525.60                  |
| Interest expense on lease liabilities                              | 232.10                  | 202.67                  |
| Expense relating to short-term leases (included in other expenses) | 318.88                  | 226.51                  |
| <b>Total amount recognized in profit or loss</b>                   | <b>1242.71</b>          | <b>954.78</b>           |

(v) The Group had total cash outflows for leases of ₹ 808.31 Lakhs for the year ended March 31, 2022 (March 31, 2021 ₹ 593.98 Lakhs).

(vi) **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.

(vii) 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.

### 5A Details of the title deeds which are not held in the name of the Holding Company

| Relevant line item in the Balance sheet | Property, plant and equipment    | Right-to-use assets              | Right-to-use assets              |
|---|----------------------------------|----------------------------------|----------------------------------|
| Description of item of property         | Land                             | Land                             | Land                             |
| Gross carrying value (₹ in Lakhs)       | 274.07                           | 192.00                           | 229.90                           |
| Title deeds held in the name of         | Lumax DK Auto Industries Limited | Lumax DK Auto Industries Limited | Lumax DK Auto Industries Limited |
| Property held since which date          | November 07, 2007                | May 15, 2006                     | November 19, 2011                |

During the year ended March 31, 2020, the Subsidiary Company "Lumax DK Auto Industries Limited" was merged with the Holding Company and the Holding Company is in the process of getting the title transferred in its name.

## 6. INVESTMENT PROPERTY

|                                     | Freehold Land | Buildings       | Total           |
|-------------------------------------|---------------|-----------------|-----------------|
| <b>Gross carrying amount</b>        |               |                 |                 |
| As at April 01, 2020                | 594.63        | 1,694.95        | 2,289.58        |
| Additions                           | -             | -               | -               |
| <b>As at March 31, 2021</b>         | <b>594.63</b> | <b>1,694.95</b> | <b>2,289.58</b> |
| Adjustment*                         | (274.79)      | (356.45)        | (631.24)        |
| Additions                           | -             | 27.63           | 27.63           |
| <b>As at March 31, 2022</b>         | <b>319.84</b> | <b>1,366.13</b> | <b>1,685.97</b> |
| <b>Depreciation and Impairments</b> |               |                 |                 |
| As at April 01, 2020                | -             | 473.66          | 473.66          |
| Depreciation Charge for the year    | -             | 57.41           | 57.41           |
| <b>As at March 31, 2021</b>         | <b>-</b>      | <b>531.07</b>   | <b>531.07</b>   |
| Adjustment*                         | -             | (179.39)        | (179.39)        |
| Depreciation Charge for the year    | -             | 45.05           | 45.05           |
| <b>As at March 31, 2022</b>         | <b>-</b>      | <b>396.73</b>   | <b>396.73</b>   |
| <b>Net Block</b>                    |               |                 |                 |
| <b>As at March 31, 2022</b>         | <b>319.84</b> | <b>969.40</b>   | <b>1,289.24</b> |
| <b>As at March 31, 2021</b>         | <b>594.63</b> | <b>1,163.88</b> | <b>1,758.51</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### Fair Value of Investment Property

|   |                 |
|---|-----------------|
| <b>As at April 01, 2020</b>                   | <b>4,466.67</b> |
| Increase in fair value of investment property | 2.52            |
| <b>As at March 31, 2021</b>                   | <b>4,469.19</b> |
| Adjustment*                                   | (1,825.19)      |
| Increase in fair value of investment property | 238.34          |
| <b>As at March 31, 2022</b>                   | <b>2,882.34</b> |

\* Transfer from Investment property to Property, plant and equipment being assets given on lease to one of the subsidiary companies.

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

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

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Rental Income  | 245.53                  | 527.38                  |
| Direct operating expenses (including repairs and maintenance) arising from property that generated rental Income | -                       | (1.10)                  |
| <b>Profit arising from Investment property before depreciation and indirect expenses</b>                         | <b>245.53</b>           | <b>526.28</b>           |
| Depreciation   | 45.05                   | 57.41                   |
| <b>Profit arising from Investment properties before indirect expenses</b>  | <b>200.48</b>           | <b>468.87</b>           |

#### ii) Contractual obligations

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

#### iii) Estimation of Fair Value

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

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

| Particulars  | Valuation Technique |
|--|---------------------|
| Land and Building situated at Plot No. 69, Bidadi Industrial area, 2nd Phase, Sector-2, Parts of 32, 56-59, Bidadi Hobli, Ramanagara Taluka, District Ramanagara, Bangalore, Karnataka - 562109.<br>Land Area - 15484 sq mt<br>Land Value - ₹ 1453.95 Lakhs<br>Building built up area - 7132.15 sq mt<br>Building Value - ₹ 1428.39 Lakhs<br>Valuer Name: Shivam Shrivastava (IBBI Registered Valuer & Chartered Engineer) | Market Rate         |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 7. INVESTMENT IN JOINT VENTURE

#### Details of Investment

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Unquoted, valued at cost</b>   |                         |                         |
| <b>Sipal Engineering Private Limited (refer note 38(d))</b>                     | -                       | 76.26                   |
| Nil (As at March 31, 2021 - 7,19,100) equity shares of ₹ 10 each fully paid up  |                         |                         |
| <b>Lumax Ituran Telematics Private Limited (refer note 51)</b>                  | -                       | 26.19                   |
| Nil (As at March 31, 2021 - 12,96,001) equity shares of ₹ 10 each fully paid up |                         |                         |
| <b>Lumax Energy Solutions Private Limited</b>                                   | 1.46                    | -                       |
| 50,000 (As at March 31, 2021 - Nil) equity shares of ₹ 10 each fully paid up    |                         |                         |
| <b>Total</b>  | <b>1.46</b>             | <b>102.45</b>           |
| <b>Aggregate value of unquoted investments</b>                                  | <b>1.46</b>             | <b>102.45</b>           |

### 8(a) INCOME TAX ASSETS (NET)

|                                     | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-------------------------------------|-------------------------|-------------------------|
| <b>Non-current tax assets (net)</b> | <b>676.81</b>           | <b>678.73</b>           |

### 8(b) CURRENT TAX LIABILITIES (NET)

|                                      | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------------------------|-------------------------|-------------------------|
| <b>Current tax liabilities (net)</b> | <b>61.17</b>            | <b>267.08</b>           |

### 9. INVESTMENTS

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>A. Non-Current Investments*</b>   |                         |                         |
| <b>Investments in equity instruments of other entities<br/>(Valued at fair value through other comprehensive income)</b> |                         |                         |
| <b>Lumax Industries Limited (Quoted)</b>   | 4,648.35                | 8,436.49                |
| 5,25,000 (As at March 31, 2021 - 5,25,000) equity shares of ₹ 10 each fully paid up                                      |                         |                         |
| <b>Lumax Ancillary Limited (Unquoted)</b>  | 653.11                  | 503.65                  |
| 3,00,420 (As at March 31, 2021 - 3,00,420) equity shares of ₹ 10 each fully paid up                                      |                         |                         |
| <b>Total</b>   | <b>5,301.46</b>         | <b>8,940.14</b>         |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>B. Current investments**</b>  |                         |                         |
| <i>Investment in Mutual funds (Unquoted)</i>   |                         |                         |
| <b>SBI Liquid Fund Direct Growth</b>   | 3,096.86                | 2,993.29                |
| 92,913 units (As at March 31, 2021 - 92,913 units)                                       |                         |                         |
| <b>AXIS Liquid Fund Growth</b>   | 535.70                  | 518.10                  |
| 22,796 units (As at March 31, 2021 - 22,796 units)                                       |                         |                         |
| <b>SBI Saving Fund Direct Plan Growth</b>  | 535.28                  | 514.73                  |
| 15,05,242 units (As at March 31, 2021 - 15,05,242 units)                                 |                         |                         |
| <b>SBI Arbitrage Opportunities Fund Direct Plan Growth</b>                               | 2,718.19                | -                       |
| 95,27,616 units (As at March 31, 2021 - Nil)   |                         |                         |
| <b>SBI Overnight Fund Direct Growth</b>  | -                       | 0.12                    |
| Nil (As at March 31, 2021 - 4 units)   |                         |                         |
| <i>Investment in Equity Instruments (Quoted)</i>   |                         |                         |
| <b>Reliance Industries Limited</b>   | 11.41                   | 8.67                    |
| 433 fully paid up ( As at March 31, 2021 - 433 fully paid up) equity shares of ₹ 10 each |                         |                         |
| <b>Total</b>   | <b>6,897.44</b>         | <b>4,034.91</b>         |
| <b>Current</b>   | <b>6,897.44</b>         | <b>4,034.91</b>         |
| <b>Non-current</b>   | <b>5,301.46</b>         | <b>8,940.14</b>         |
| Aggregate Market value of quoted Investments (refer note 46) (Current & Non current)     | <b>4,659.76</b>         | <b>8,445.16</b>         |
| Aggregate value of unquoted Investments (refer note 46) (Current & Non current)          | <b>7,539.14</b>         | <b>4,529.89</b>         |

### Non-current Investments

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

### Current Investments

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

## 10. LOANS

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>(Unsecured and considered good unless otherwise stated)</b> |                         |                         |
| <b>Non-Current</b>   |                         |                         |
| <b>Loans</b>   |                         |                         |
| Loan to Employees  | 44.00                   | 11.26                   |
| <b>Total (A)</b>   | <b>44.00</b>            | <b>11.26</b>            |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|                    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------|-------------------------|-------------------------|
| <b>Current</b>     |                         |                         |
| <b>Loans</b>       |                         |                         |
| Loan to Employees  | 60.10                   | 57.90                   |
| <b>Total (B)</b>   | <b>60.10</b>            | <b>57.90</b>            |
| <b>Total (A+B)</b> | <b>104.10</b>           | <b>69.16</b>            |
| <b>Current</b>     | <b>60.10</b>            | <b>57.90</b>            |
| <b>Non-current</b> | <b>44.00</b>            | <b>11.26</b>            |

The Group has no loans which are either repayable on demand or are without specifying any terms or period of repayment.

### 11. OTHER FINANCIAL ASSETS

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>(Unsecured and considered good unless otherwise stated)</b> |                         |                         |
| <b>Non-current</b>   |                         |                         |
| Security deposits  | 750.52                  | 612.11                  |
| Government grant receivable                                    | 517.78                  | -                       |
| <b>Total (A)</b>   | <b>1,268.30</b>         | <b>612.11</b>           |
| <b>Current</b>   |                         |                         |
| Security Deposits  | 5.61                    | 2.18                    |
| Unbilled revenue*  | -                       | 1,151.78                |
| Interest accrued but not due                                   | 175.31                  | 60.06                   |
| Other recoverables**   | 65.29                   | 55.81                   |
| <b>Total (B)</b>   | <b>246.21</b>           | <b>1,269.83</b>         |
| <b>Total (A+B)</b>   | <b>1,514.51</b>         | <b>1,881.94</b>         |
| <b>Current</b>   | <b>246.21</b>           | <b>1,269.83</b>         |
| <b>Non-Current</b>   | <b>1,268.30</b>         | <b>612.11</b>           |

\* Includes ₹ Nil (March 31, 2021, ₹ 1,151.78 Lakhs) computed on the basis of price revision claims with customers which have been confirmed by them.

\*\* Other recoverables included recoverable from Related Parties of ₹ Nil (March 31, 2021, ₹ 0.09 Lakhs) (Also refer note 41)

#### Break up of financial assets carried at amortized cost:

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Trade receivables (refer note 14)         | 26,638.64               | 22,298.19               |
| Cash and cash equivalents (refer note 15) | 4,840.83                | 1,665.77                |
| Other Bank Balance (refer note 16)        | 8,998.86                | 8,130.47                |
| Loans (refer note 10)                     | 104.10                  | 69.16                   |
| Other financial assets (refer note 11)    | 1,514.51                | 1,881.94                |
| <b>Total</b>                              | <b>42,096.94</b>        | <b>34,045.53</b>        |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 12. OTHER ASSETS

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>(Unsecured, considered good, unless otherwise stated)</b> |                         |                         |
| <b>Non-current</b>   |                         |                         |
| Advances for property, plant and equipment                   | 874.67                  | 264.77                  |
| Balances with statutory/government authorities*              | 612.43                  | 668.59                  |
| Deposit under protest  | 0.78                    | 0.78                    |
| <b>Total (A)</b>   | <b>1,487.88</b>         | <b>934.14</b>           |
| <b>Current</b>   |                         |                         |
| Balance with statutory/government authorities                | 1,631.64                | 1,042.97                |
| Advance to suppliers   | 2,030.31                | 1,479.00                |
| Prepaid expenses   | 256.58                  | 216.30                  |
| Export benefits receivable                                   | 7.46                    | 5.39                    |
| Others advances  | 175.42                  | 113.71                  |
| <b>Total (B)</b>   | <b>4,101.41</b>         | <b>2,857.37</b>         |
| <b>Total (A+B)</b>   | <b>5,589.29</b>         | <b>3,791.51</b>         |
| <b>Current</b>   | <b>4,101.41</b>         | <b>2,857.37</b>         |
| <b>Non-current</b>   | <b>1,487.88</b>         | <b>934.14</b>           |

\* Includes ₹ 612.43 Lakhs (March 31, 2021: ₹ 306.21 Lakhs) paid under protest to Debt Recovery Appellate Tribunal (DRAT). Refer note 40(d).

### 13. INVENTORIES

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Raw materials (at cost)</b>  | 4,432.76                | 3,195.02                |
| (includes material in transit ₹ 361.00 Lakhs (As at March 31, 2021 ₹ 186.71 Lakhs)) |                         |                         |
| <b>Work-in-progress (at cost)</b>   | 583.96                  | 443.05                  |
| <b>Finished goods (at lower of cost and net realizable value)</b>                   | 1,078.26                | 871.62                  |
| (includes sales in transit ₹ 526.00 Lakhs (As at March 31, 2021 ₹ 480.24 Lakhs))    |                         |                         |
| <b>Traded goods</b>   | 2,037.00                | 1,834.97                |
| <b>Moulds</b>   | 2,587.21                | 1,680.41                |
| <b>Stores and spares</b>  | 456.50                  | 333.69                  |
| <b>Total inventories, at the lower of cost and net realizable value</b>             | <b>11,175.69</b>        | <b>8,358.76</b>         |

### 14. TRADE RECEIVABLES

#### a) Details of trade receivables:

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Trade receivables                                | 22,373.24               | 19,399.75               |
| Receivables from related parties (refer note 41) | 4,265.40                | 2,898.44                |
| <b>Total Trade receivables</b>                   | <b>26,638.64</b>        | <b>22,298.19</b>        |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### b) Break-up for security details:

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>Trade receivables</b>                                     |                         |                         |
| Secured, considered good                                     | 434.51                  | 432.59                  |
| Unsecured, considered good                                   | 26,204.13               | 21,865.60               |
| Doubtful   | 130.11                  | 167.33                  |
| <b>Total</b>   | <b>26,768.75</b>        | <b>22,465.52</b>        |
| Impairment allowance for trade receivables - credit impaired | (130.11)                | (167.33)                |
| <b>Total</b>   | <b>26,638.64</b>        | <b>22,298.19</b>        |

- c) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Further no trade or other receivable are due from firms or private companies 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 30-120 days.
- e) For terms and conditions relating to related party receivables, refer Note 41.

### f) Trade receivables Ageing Schedule

#### As at March 31, 2022

| Particulars  | Not Due          | Outstanding for following periods from due date of payment |                 |              |              |                   | Total            |
|--|------------------|--|-----------------|--------------|--------------|-------------------|------------------|
|  |                  | Less than 6 months   | 6 months-1 year | 1-2 years    | 2-3 years    | More than 3 years |                  |
| (i) Undisputed Trade receivables – considered good                                 | 18,253.67        | 8,243.31   | 34.18           | 81.49        | 3.41         | 22.58             | <b>26,638.64</b> |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -                | -  | -               | -            | -            | -                 | -                |
| (iii) Undisputed Trade Receivables – considered doubtful                           | -                | -  | -               | 5.64         | 42.47        | 14.50             | <b>62.61</b>     |
| (iv) Disputed Trade Receivables considered good                                    | -                | -  | -               | -            | -            | -                 | -                |
| (v) Disputed Trade receivables – which have significant increase in credit risk    | -                | -  | -               | -            | -            | -                 | -                |
| (vi) Disputed Trade Receivables considered doubtful                                | -                | -  | 1.79            | -            | 11.04        | 54.67             | <b>67.50</b>     |
| <b>Total</b>   | <b>18,253.67</b> | <b>8,243.31</b>  | <b>35.97</b>    | <b>87.13</b> | <b>56.92</b> | <b>91.75</b>      | <b>26,768.75</b> |

#### As at March 31, 2021

| Particulars  | Not Due   | Outstanding for following periods from due date of payment |                 |           |           |                   | Total            |
|--|-----------|--|-----------------|-----------|-----------|-------------------|------------------|
|  |           | Less than 6 months   | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years |                  |
| (i) Undisputed Trade receivables – considered good                                 | 16,328.95 | 5,914.67   | 24.05           | 7.94      | 13.43     | 9.15              | <b>22,298.19</b> |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -         | -  | -               | -         | -         | -                 | -                |
| (iii) Undisputed Trade Receivables – considered doubtful                           | -         | -  | -               | 51.53     | 28.25     | 13.10             | <b>92.88</b>     |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

| Particulars   | Not Due          | Outstanding for following periods from due date of payment |                  |              |              |                   | Total            |
|---|------------------|--|------------------|--------------|--------------|-------------------|------------------|
|   |                  | Less than 6 months   | 6 months- 1 year | 1-2 years    | 2-3 years    | More than 3 years |                  |
| (iv) Disputed Trade Receivables considered good                                 | -                | -  | -                | -            | -            | -                 | -                |
| (v) Disputed Trade receivables – which have significant increase in credit risk | -                | -  | -                | -            | -            | -                 | -                |
| (vi) Disputed Trade Receivables considered doubtful                             | -                | -  | -                | 11.22        | 1.53         | 61.70             | <b>74.45</b>     |
| <b>Total</b>  | <b>16,328.95</b> | <b>5,914.67</b>  | <b>24.05</b>     | <b>70.69</b> | <b>43.21</b> | <b>83.95</b>      | <b>22,465.52</b> |

### 15. CASH AND CASH EQUIVALENTS

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Balances with banks:                                     |                         |                         |
| - On current accounts                                    | 1,173.89                | 1,193.62                |
| - Deposits with original maturity of less than 3 months* | 3,655.00                | 460.00                  |
| Cash on hand   | 11.94                   | 12.15                   |
| <b>Total</b>   | <b>4,840.83</b>         | <b>1,665.77</b>         |

\*Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

### 16. OTHER BANK BALANCES

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Other bank balances:  |                         |                         |
| - Deposits with original maturity of more than 3 months but remaining maturity of less than 12 months | 8,975.54                | 8,109.31                |
| - on unpaid dividend account *  | 23.32                   | 21.16                   |
| <b>Total</b>  | <b>8,998.86</b>         | <b>8,130.47</b>         |

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

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

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Balances with banks:                                    |                         |                         |
| - On current accounts                                   | 1,173.89                | 1,193.62                |
| - Deposits with original maturity of less than 3 months | 3,655.00                | 460.00                  |
| Cash on hand  | 11.94                   | 12.15                   |
| <b>Total</b>  | <b>4,840.83</b>         | <b>1,665.77</b>         |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### b) Changes in liabilities arising from financing activities:

|   | As at<br>April 01, 2021 | Cash flows/Others              | As at<br>March 31, 2022 |
|---|-------------------------|--------------------------------|-------------------------|
|   |                         | Proceeds<br>/(Repayment) (net) |                         |
| Long term borrowings (including current maturities) | 2,553.00                | (977.03)                       | 1,575.97                |
| Short term borrowings                               | 4,684.45                | 6,193.50                       | 10,877.95               |
| Lease liabilities                                   | 2,602.62                | 1,444.12                       | 4,046.74                |
| <b>Total liabilities from financing activities</b>  | <b>9,840.07</b>         | <b>6,660.59</b>                | <b>16,500.66</b>        |

|   | As at<br>April 01, 2020 | Cash flows/Others              | As at<br>March 31, 2021 |
|---|-------------------------|--------------------------------|-------------------------|
|   |                         | Proceeds<br>/(Repayment) (net) |                         |
| Long term borrowings (including current maturities) | 2,340.57                | 212.43                         | 2,553.00                |
| Short term borrowings                               | 7,152.41                | (2,467.96)                     | 4,684.45                |
| Lease liabilities                                   | 2,869.25                | (266.63)                       | 2,602.62                |
| <b>Total liabilities from financing activities</b>  | <b>12,362.23</b>        | <b>(2,522.16)</b>              | <b>9,840.07</b>         |

## 17. EQUITY SHARE CAPITAL

### a) Details of share capital:

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Authorized share capital</b>   |                         |                         |
| 18,05,00,000 (As at March 31, 2021: 18,05,00,000) equity shares of ₹ 2 each | 3,610.00                | 3,610.00                |
|   | <b>3,610.00</b>         | <b>3,610.00</b>         |
| <b>Issued, subscribed and fully paid up capital</b>                         |                         |                         |
| 6,81,57,705 (As at March 31, 2021: 6,81,57,705) equity shares of ₹ 2 each   | 1,363.15                | 1,363.15                |
|   | <b>1,363.15</b>         | <b>1,363.15</b>         |

### b) Reconciliation of authorized share capital

|                             | Equity Shares       |                 |
|-----------------------------|---------------------|-----------------|
|                             | No. of shares       | Amount          |
| As at April 01, 2020        | 18,05,00,000        | 3,610.00        |
| Increase during the year    | -                   | -               |
| As at March 31, 2021        | 18,05,00,000        | 3,610.00        |
| Increase during the year    | -                   | -               |
| <b>As at March 31, 2022</b> | <b>18,05,00,000</b> | <b>3,610.00</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

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

|  | Equity Shares      |                 |
|--|--------------------|-----------------|
|  | No. of shares      | Amount          |
| <b>Equity shares of ₹ 2 each issued, subscribed and fully paid</b> |                    |                 |
| As at April 01, 2020   | 6,81,57,705        | 1,363.15        |
| Issued during the year   | -                  | -               |
| As at March 31, 2021   | 6,81,57,705        | 1,363.15        |
| Issued during the year   | -                  | -               |
| <b>As at March 31, 2022</b>  | <b>6,81,57,705</b> | <b>1,363.15</b> |

### d) Terms/ rights attached to equity shares:

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

The Group 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.

### e) Details of shareholders holding more than 5% shares in the Holding Company (representing legal and beneficial ownership)

| Name of the shareholder                                    | As at<br>March 31, 2022 |                                | As at<br>March 31, 2021 |                                |
|--|-------------------------|--------------------------------|-------------------------|--------------------------------|
|  | No. of shares           | % holding in the equity shares | No. of shares           | % holding in the equity shares |
| Equity shares of ₹ 2 (March 31, 2021: ₹ 2) each fully paid |                         |                                |                         |                                |
| Mr Deepak Jain, Director                                   | 1,29,21,047             | 18.96%                         | 1,29,21,047             | 18.96%                         |
| Mr Anmol Jain, Managing Director                           | 1,29,18,113             | 18.95%                         | 1,29,18,113             | 18.95%                         |
| Lumax Finance Private Limited                              | 1,21,11,320             | 17.77%                         | 1,21,11,320             | 17.77%                         |
| Albula Investment Fund Limited                             | 61,58,135               | 9.04%                          | 61,58,135               | 9.04%                          |

### f) Details of Shareholding of Promoters in the Holding Company (representing legal and beneficial ownership)

| Name of the shareholder                                    | As at<br>March 31, 2022 |                                | As at<br>March 31, 2021 |                                |
|--|-------------------------|--------------------------------|-------------------------|--------------------------------|
|  | No. of shares           | % holding in the equity shares | No. of shares           | % holding in the equity shares |
| Equity shares of ₹ 2 (March 31, 2021: ₹ 2) each fully paid |                         |                                |                         |                                |
| Mr Deepak Jain, Director                                   | 1,29,21,047             | 18.96%                         | 1,29,21,047             | 18.96%                         |
| Mr Anmol Jain, Managing Director                           | 1,29,18,113             | 18.95%                         | 1,29,18,113             | 18.95%                         |
| Lumax Finance Private Limited                              | 1,21,11,320             | 17.77%                         | 1,21,11,320             | 17.77%                         |
| Mr Dhanesh Kumar Jain Family Trust                         | 2,03,950                | 0.30%                          | 2,03,950                | 0.30%                          |

### g) The Holding Company does not have any equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 18. OTHER EQUITY

#### Reconciliation of Other Equity

|   | Retained Earnings | Capital Reserve | Securities Premium | General Reserve | FVTOCI Reserve  | Total            |
|---|-------------------|-----------------|--------------------|-----------------|-----------------|------------------|
| <b>As at April 01, 2020</b>                                 | <b>34,042.18</b>  | <b>289.31</b>   | <b>4,528.55</b>    | <b>1,726.40</b> | <b>2,666.18</b> | <b>43,252.62</b> |
| Profit for the year   | 4,712.96          | -               | -                  | -               | -               | 4,712.96         |
| Other comprehensive Income/(loss) for the year (net of tax) | (60.09)           | -               | -                  | -               | 3,918.32        | 3,858.23         |
| Dividend Paid   | (681.58)          | -               | -                  | -               | -               | (681.58)         |
| Adjustments   | 534.47            | 32.05           | -                  | -               | -               | 566.52           |
| <b>As at March 31, 2021</b>                                 | <b>38,547.93</b>  | <b>321.36</b>   | <b>4,528.55</b>    | <b>1,726.40</b> | <b>6,584.50</b> | <b>51,708.74</b> |
| Profit for the year   | 6,940.90          | -               | -                  | -               | -               | 6,940.90         |
| Other comprehensive income/(loss) for the year (net of tax) | 36.89             | -               | -                  | -               | (3,612.47)      | (3,575.58)       |
| Dividend Paid   | (2,044.74)        | -               | -                  | -               | -               | (2,044.74)       |
| <b>As at March 31, 2022</b>                                 | <b>43,480.98</b>  | <b>321.36</b>   | <b>4,528.55</b>    | <b>1,726.40</b> | <b>2,972.03</b> | <b>53,029.32</b> |

#### 18.1 Nature and purpose of reserves

##### a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

##### b) FVTOCI Reserve

The Group has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI Reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognized.

##### c) General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

##### d) Retained Earnings

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### e) Capital reserve

Capital reserve are the reserve created for gain on bargain purchase related to business combinations.

### 18.2 Distributions made and proposed

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Cash dividend on equity shares declared and paid</b>   |                         |                         |
| <b><i>Holding Company</i></b>   |                         |                         |
| Final cash dividend for the year ended March 31, 2021: ₹ 3 Per Share<br>(March 31, 2020: ₹ 1 per share) on face value of ₹ 2 each   | 2,044.73                | 681.58                  |
| <b><i>Subsidiary company</i></b>  |                         |                         |
| Final cash dividend (share of minority) for the year ended March 31, 2021: ₹ 15<br>per share (March 31, 2020: ₹ 5 per share)        | 234.93                  | 78.31                   |
| <b>Proposed dividend on Equity shares *</b>   |                         |                         |
| <b><i>Holding Company</i></b>   |                         |                         |
| Final cash dividend for the year ended March 31, 2022: ₹ 3.5 per Share<br>(March 31, 2021: ₹ 3 per share) on face value of ₹ 2 each | 2,385.52                | 2,044.73                |
| <b><i>Subsidiary company</i></b>  |                         |                         |
| Final cash dividend (share of minority) for the year ended March 31, 2022:<br>₹ 21 per share (March 31, 2021: ₹ 15 per share)       | 328.90                  | 234.93                  |

\* Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at year end.

### 19. BORROWINGS

#### a) Details of long term borrowings:

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Term Loans</b>   |                         |                         |
| Rupee Term Loan from banks (secured)*                               | 1,212.86                | 2,504.79                |
| Vehicle loan from banks (secured)**                                 | 78.89                   | 48.21                   |
| Foreign currency loan***  | 284.22                  | -                       |
| <b>Less: current maturity disclosed under short term borrowings</b> |                         |                         |
| - Rupee term loan   | (491.53)                | (1,968.87)              |
| - Vehicle loan  | (33.13)                 | (31.71)                 |
| - Foreign currency loan   | (28.42)                 | -                       |
| <b>Total borrowings</b>   | <b>1,022.89</b>         | <b>552.42</b>           |
| <b>Total current (disclosed under short term borrowings)</b>        | <b>553.08</b>           | <b>2,000.58</b>         |
| <b>Total non-current</b>  | <b>1,022.89</b>         | <b>552.42</b>           |
| Aggregate secured loans   | <b>1,291.75</b>         | <b>2,553.00</b>         |
| Aggregate unsecured loans   | <b>284.22</b>           | -                       |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### Loan taken by the Holding Company

\*\* Vehicle loan amounting ₹ 44.02 Lakhs (Previous year: ₹ 33.60 Lakhs) from banks carrying interest @ 7.60% to 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.

### Loan taken by the subsidiaries Company

\*Term loan amounting ₹ 364.04 Lakhs (March 31, 2021: ₹ 861.38 Lakhs) from Bank repayable in 9 equal quarterly instalments of ₹ 36.17 Lakhs each and balance ₹ 38.51 Lakhs (on account of moratorium interest) will be paid along with last instalment. This loan is secured by hypothecation on Plant & Machinery and carries interest @ 7.20%.

\*Term loan amounting Nil (March 31, 2021: ₹ 449.94 Lakhs) from Bank secured by Exclusive charge on fixed assets and carried interest @ 8% - 9%.

\*Term loan amounting ₹ 848.82 Lakhs (March 31, 2021: ₹ 1,193.47 Lakhs) from Bank carrying interest @ 7.20% and secured by way of hypothecation of Plant & Machinery, Stocks & Receivables. This loan is repayable over a period of Four to Five years from the date of availment.

\*\*Vehicle loan amounting ₹ 34.87 Lakhs (March 31, 2021: ₹ 14.61 Lakhs) from banks carrying interest @ 7.60% to 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.

\*\*\*Foreign currency loan from Joint venture partner amounting ₹ 284.22 Lakhs (March 31, 2021: Nil) carrying interest @ 2.89% per annum, repayable in 10 half yearly instalments starting from March 31, 2023.

### b) Details of short term borrowings:

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>Current Maturities of Long term borrowings</b>            |                         |                         |
| Current maturity of rupee term loan (refer note above)       | 491.53                  | 1,968.87                |
| Current maturity of vehicle loan (refer note above)          | 33.13                   | 31.71                   |
| Current maturity of foreign currency loan (refer note above) | 28.42                   | -                       |
| <b>Loan repayable On Demand</b>                              |                         |                         |
| Working capital loan repayable on demand (Secured)*          | 8,300.00                | 2,850.00                |
| Working capital loan repayable on demand (Unsecured)**       | 2,200.00                | 1,000.00                |
| On cash credit accounts (Secured)***                         | -                       | 736.34                  |
| Customer Finance Facility from Banks (Unsecured)#            | 377.95                  | 98.11                   |
| <b>Total</b>   | <b>11,431.03</b>        | <b>6,685.03</b>         |
| <b>Aggregate Secured loan</b>                                | <b>8,853.08</b>         | <b>5,586.92</b>         |
| <b>Aggregate Unsecured loan</b>                              | <b>2,577.95</b>         | <b>1,098.11</b>         |

### WCDL taken by the Holding Company

\* Working capital demand loan ₹ 6,000 Lakhs (March 31, 2021: ₹ 1,000 Lakhs) from Bank is repayable in 180 days from respective drawdown and carries interest @ 4.40% to 5.25% per annum, secured by way of Pari-passu first charge on entire current assets of the Company both present and future.

\* Working capital demand loan ₹ Nil (March 31, 2021: ₹ 1,000 Lakhs) from financial institution is repayable in 180 days from respective drawdown and carried interest @ 6.90% per annum, secured by way of pari-passu charge over the current assets of the Company.

\*\* Working capital demand loan ₹ 2,000 Lakhs (March 31, 2021: ₹ 1,000 Lakhs) from Bank is repayable in 180 days from respective drawdown and carries interest @ 4.40% to 5.25% per annum, Unsecured.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### Cash Credit taken by the Holding Company

\*\*\* Cash Credit ₹ Nil (March 31, 2021: ₹ 483.70 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 carried Interest @ 7.50% per annum.

### WCDL taken by the subsidiary Company

\* Working capital demand loan ₹ 1,500 Lakhs (March 31, 2021: Nil) from financial institution is repayable in 180 days from respective drawdown and carries interest @ 5.75% per annum secured against the current and moveable fixed assets of the Company.

\* Working capital demand loan ₹ 800 Lakhs (March 31, 2021: ₹ 500 Lakhs) from financial institution is repayable in 180 days from respective drawdown and carries interest @ 5.75% per annum, secured by way of Pari-passu charge over the current assets of the Company.

\* Working capital demand loan ₹ Nil (March 31, 2021: ₹ 350 Lakhs) from financial institution is repayable in 180 days from respective drawdown and carried interest @ 6.15% per annum, secured by way of Pari-passu first charge on current assets of the Company.

\*\* Working capital demand loan ₹ 200 Lakhs (March 31, 2021: Nil) from financial institution is repayable in 180 days from respective drawdown and carries interest @ 5.75% per annum, Unsecured.

### Cash Credit taken by the subsidiary Company

\*\*\* Cash Credit ₹ Nil (March 31, 2021: ₹ 252.64 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 carried 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 the Company.

### Undrawn committed borrowing facility

The Group has availed fund based and non fund based working capital limits amounting to ₹ 25,200.00 Lakhs (March 31, 2021 : ₹ 17,300.00 Lakhs) from banks and financial institutions. An amount of ₹ 13,680.24 Lakhs remain undrawn as at March 31, 2022 (March 31, 2021 : ₹ 11,712.75 Lakhs).

### 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.

### Wilful defaulter

The Group have not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

## 20. LEASE LIABILITY

|                    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------|-------------------------|-------------------------|
| <b>Non-Current</b> |                         |                         |
| Lease Liability    | 3,311.18                | 1,868.26                |
| <b>Total (A)</b>   | <b>3,311.18</b>         | <b>1,868.26</b>         |
| <b>Current</b>     |                         |                         |
| Lease Liability    | 735.56                  | 734.36                  |
| <b>Total (B)</b>   | <b>735.56</b>           | <b>734.36</b>           |
| <b>Total (A+B)</b> | <b>4,046.74</b>         | <b>2,602.62</b>         |
| <b>Non-Current</b> | <b>3,311.18</b>         | <b>1,868.26</b>         |
| <b>Current</b>     | <b>735.56</b>           | <b>734.36</b>           |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 21. EMPLOYEE BENEFIT LIABILITIES

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>Non-Current</b>                     |                         |                         |
| <b>Provision for employee benefits</b> |                         |                         |
| Provision for gratuity (refer note 39) | 120.07                  | 109.14                  |
| Provision for leave encashment         | 572.68                  | 521.51                  |
| <b>Total (A)</b>                       | <b>692.75</b>           | <b>630.65</b>           |
| <b>Current</b>                         |                         |                         |
| <b>Provision for employee benefits</b> |                         |                         |
| Provision for gratuity (refer note 39) | 937.65                  | 811.78                  |
| Provision for leave encashment         | 774.35                  | 732.23                  |
| <b>Total (B)</b>                       | <b>1,712.00</b>         | <b>1,544.01</b>         |
| <b>Total (A+B)</b>                     | <b>2,404.75</b>         | <b>2,174.66</b>         |
| <b>Current</b>                         | <b>1,712.00</b>         | <b>1,544.01</b>         |
| <b>Non-Current</b>                     | <b>692.75</b>           | <b>630.65</b>           |

### 22. INCOME TAX

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

##### Statement of profit and loss:

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| <b>Current income tax:</b>  |                                      |                                      |
| Current income tax charge   | 3,117.11                             | 1,958.93                             |
| Adjustments in respect of current income tax of previous year         | (34.69)                              | (49.23)                              |
| <b>Deferred tax :</b>   |                                      |                                      |
| Relating to origination and reversal of temporary differences         | 20.76                                | 125.10                               |
| <b>Income tax expense reported in the statement of profit or loss</b> | <b>3,103.18</b>                      | <b>2,034.80</b>                      |

#### (b) OCI section

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

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Tax effect on loss on remeasurements of defined benefit plans | (15.73)                              | 7.82                                 |
| Tax effect on (gain)/loss on financial assets                 | 26.21                                | (7.66)                               |
| <b>Income tax charged to Other Comprehensive Income</b>       | <b>10.48</b>                         | <b>0.16</b>                          |

#### (c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| <b>Accounting profit before income tax</b>                                 | <b>11,584.08</b>                     | <b>7,221.95</b>                      |
| Tax at the Indian Tax Rate of 25.168% (March 31, 2021: 25.168%)            | 3,185.94                             | 2,009.14                             |
| <b>Non-deductible expenses for tax purposes:</b>                           |                                      |                                      |
| Permanent difference   | -                                    | 53.01                                |
| Exempt Income (Dividend Income exempt u/s 10(34))                          | (81.52)                              | (32.02)                              |
| Others   | (1.24)                               | 7.33                                 |
| Tax rate change Impact   | -                                    | (2.66)                               |
| <b>At the effective income tax rate of 26.79% (March 31, 2021: 28.18%)</b> | <b>3,103.18</b>                      | <b>2,034.80</b>                      |
| <b>Income tax expense reported in the statement of profit and loss</b>     | <b>3,103.18</b>                      | <b>2,034.80</b>                      |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

(d) **Deferred tax:**

|  | Balance sheet        |                      | Statement of profit and loss and OCI |                                   |
|--|----------------------|----------------------|--------------------------------------|-----------------------------------|
|  | As at March 31, 2022 | As at March 31, 2021 | For the Year Ended March 31, 2022    | For the Year Ended March 31, 2021 |
| <b>Deferred tax assets relates to the following :</b>  |                      |                      |                                      |                                   |
| Impact of expenditures charged to statement of profit and loss but allowed for tax purposes on payment basis | 711.60               | 568.34               | 143.26                               | 102.33                            |
| Impact of impairment allowance for doubtful debts  | 32.75                | 49.38                | (16.63)                              | 0.19                              |
| Deferred tax on Right-to-use asset (net)   | 138.47               | 71.25                | 67.22                                | 49.89                             |
| Others   | 7.71                 | 40.92                | (33.21)                              | (96.78)                           |
| <b>Total (A)</b>   | <b>890.53</b>        | <b>729.89</b>        | <b>160.64</b>                        | <b>55.63</b>                      |
| <b>Deferred tax liability relates to the following :</b>   |                      |                      |                                      |                                   |
| Accelerated depreciation for tax purposes  | 2,178.52             | 2,020.33             | 158.19                               | 35.50                             |
| Un-realized gain on Mutual Fund  | 68.45                | 28.87                | 39.58                                | 46.03                             |
| <b>Total (B)</b>   | <b>2,246.97</b>      | <b>2,049.20</b>      | <b>197.77</b>                        | <b>81.53</b>                      |
| Re-measurement Gain/ (loss) on defined benefit plans (OCI)   |                      |                      | 15.73                                | (7.82)                            |
| <b>Deferred tax expense/(income) charged to statement of profit and loss</b>                                 |                      |                      | <b>21.40</b>                         | <b>33.72</b>                      |
| Deferred tax on financial assets (OCI)   | 60.30                | 86.51                | (26.21)                              | 7.66                              |
| <b>Deferred tax expense/(income) charged to OCI and Profit and loss</b>                                      |                      |                      | <b>10.92</b>                         | <b>33.56</b>                      |
| <b>Total deferred tax liability (Net)</b>  | <b>1,416.74</b>      | <b>1,405.82</b>      |                                      |                                   |

(e) **Deferred tax assets relates to the following :**

|  | Balance sheet        |                      | Statement of profit and loss and OCI |                                   |
|--|----------------------|----------------------|--------------------------------------|-----------------------------------|
|  | As at March 31, 2022 | As at March 31, 2021 | For the Year Ended March 31, 2022    | For the Year Ended March 31, 2021 |
| <b>Deferred tax assets relates to the following :</b>  |                      |                      |                                      |                                   |
| Impact of expenditures charged to statement of profit and loss but allowed for tax purposes on payment basis | 0.53                 | 138.43               | 137.90                               | 52.64                             |
| Accelerated depreciation for tax purposes  | 3.98                 | -                    | (3.98)                               | (91.18)                           |
| Others   | 3.31                 | 0.70                 | (2.61)                               | (0.67)                            |
| <b>Total (A)</b>   | <b>7.82</b>          | <b>139.13</b>        | <b>131.31</b>                        | <b>(39.21)</b>                    |
| <b>Deferred tax liability relates to the following :</b>   |                      |                      |                                      |                                   |
| Others   | -                    | 130.59               | 130.59                               | (130.59)                          |
| <b>Total (B)</b>   | <b>-</b>             | <b>130.59</b>        | <b>130.59</b>                        | <b>(130.59)</b>                   |
| Other adjustment   | -                    | -                    | (1.36)                               | -                                 |
| <b>Deferred tax expense/(income) charged to OCI and Profit and loss</b>                                      |                      |                      | <b>(0.64)</b>                        | <b>91.38</b>                      |
| <b>Total deferred tax Asset (Net)</b>  | <b>7.82</b>          | <b>8.54</b>          |                                      |                                   |

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 23. OTHER LIABILITIES

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Current</b>                          |                         |                         |
| Statutory dues                          | 1,626.13                | 1,012.31                |
| Advance from customers                  | 1,972.46                | 468.20                  |
| Other liabilities (net) (refer note 50) | 3,064.67                | 2,954.51                |
| <b>Total</b>                            | <b>6,663.26</b>         | <b>4,435.02</b>         |
| <b>Current</b>                          | <b>6,663.26</b>         | <b>4,435.02</b>         |
| <b>Non-current</b>                      | -                       | -                       |

### 24. TRADE PAYABLES

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>A. Trade payables</b>   |                         |                         |
| - Total outstanding dues of micro enterprises and small enterprises (refer note below for details of due to micro and small enterprises) | 2,780.14                | 2,285.71                |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises   | 18,565.37               | 16,835.41               |
|  | <b>21,345.51</b>        | <b>19,121.12</b>        |
| - Trade payables   | 19,310.62               | 17,509.07               |
| - Trade payables to related parties (refer note 41)  | 2,034.89                | 1,612.05                |
|  | <b>21,345.51</b>        | <b>19,121.12</b>        |
| <b>B. Other payables</b>   |                         |                         |
| - Other payables   | 1,756.58                | 1,357.47                |
| <b>Total</b>   | <b>23,102.09</b>        | <b>20,478.59</b>        |

#### Terms and conditions of the above financial liabilities:

- Trade payables & Other payables are non-interest bearing and are normally settled on 30 to 90 day terms

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

For terms and conditions with related parties, refer to Note 41

- a) 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, 2022 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<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Principal amount due to micro and small enterprises  | 2,780.14                | 2,285.71                |
| Interest due on above  | 0.48                    | 12.34                   |
|  | <b>2,780.62</b>         | <b>2,298.05</b>         |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | 7.99                    | -                       |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| 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.   | 8.10                    | 11.54                   |
| The amount of interest accrued and remaining unpaid at the end of each accounting year.  | 62.84                   | 62.73                   |
| 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                    |

### b) Trade Payable Ageing Schedule

#### As at March 31, 2022

| Particulars                 | Not Due          | Outstanding for following periods from due date of payment |               |              |                   | Total            |
|-----------------------------|------------------|--|---------------|--------------|-------------------|------------------|
|                             |                  | Less than 1 year   | 1-2 years     | 2-3 years    | More than 3 years |                  |
| (i) MSME                    | 2,771.23         | 8.91   | -             | -            | -                 | 2,780.14         |
| (ii) Others                 | 12,501.28        | 5,836.64   | 116.00        | 41.58        | 69.87             | 18,565.37        |
| (iii) Disputed dues – MSME  | -                | -  | -             | -            | -                 | -                |
| (iv) Disputed dues - Others | -                | -  | -             | -            | -                 | -                |
| <b>Total</b>                | <b>15,272.51</b> | <b>5,845.55</b>  | <b>116.00</b> | <b>41.58</b> | <b>69.87</b>      | <b>21,345.51</b> |

#### As at March 31, 2021

| Particulars                 | Not Due          | Outstanding for following periods from due date of payment |              |              |                   | Total            |
|-----------------------------|------------------|--|--------------|--------------|-------------------|------------------|
|                             |                  | Less than 1 year   | 1-2 years    | 2-3 years    | More than 3 years |                  |
| (i) MSME                    | 2,216.65         | 69.06  | -            | -            | -                 | 2,285.71         |
| (ii) Others                 | 13,250.95        | 3,462.83   | 37.15        | 14.89        | 69.59             | 16,835.41        |
| (iii) Disputed dues – MSME  | -                | -  | -            | -            | -                 | -                |
| (iv) Disputed dues - Others | -                | -  | -            | -            | -                 | -                |
| <b>Total</b>                | <b>15,467.60</b> | <b>3,531.89</b>  | <b>37.15</b> | <b>14.89</b> | <b>69.59</b>      | <b>19,121.12</b> |

## 25. OTHER FINANCIAL LIABILITIES

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Other financial liabilities at amortized cost</b>  |                         |                         |
| <b>Current</b>  |                         |                         |
| Amount payable for property, plant and equipment for micro enterprises and small enterprises            | -                       | -                       |
| Amount payable for property, plant and equipment for other than micro enterprises and small enterprises | 1,103.20                | 703.29                  |
| Accrued salaries*   | 1,623.57                | 1,667.79                |
| Unsecured deposits from customers   | 508.64                  | 848.22                  |
| Unpaid dividends**  | 23.32                   | 21.16                   |
| Interest accrued but not due  | 13.47                   | 15.66                   |
| <b>Total</b>  | <b>3,272.20</b>         | <b>3,256.12</b>         |
| <b>Current</b>  | <b>3,272.20</b>         | <b>3,256.12</b>         |
| <b>Non-current</b>  | -                       | -                       |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

\* Accrued Salaries includes payable to directors of ₹ 721.43 Lakhs (March 31, 2021: ₹ 303.20 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 ₹ 1.54 Lakhs during the current year (March 31, 2021: ₹ 1.00 Lakhs) to the Investor Education and Protection Fund.

### Breakup of financial liabilities at amortized cost:

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Borrowings non-current (refer note 19)                       | 1,022.89                | 552.42                  |
| Borrowings current (refer note 19)                           | 11,431.03               | 6,685.03                |
| Non current lease liabilities (refer note 20)                | 3,311.18                | 1,868.26                |
| Current lease liabilities (refer note 20)                    | 735.56                  | 734.36                  |
| Trade payables (refer note 24)                               | 23,102.09               | 20,478.59               |
| Other financial liabilities (refer note 25)                  | 3,272.20                | 3,256.12                |
| <b>Total financial liabilities carried at amortized cost</b> | <b>42,874.95</b>        | <b>33,574.78</b>        |

## 26. REVENUE FROM CONTRACTS WITH CUSTOMERS

The details of revenue from operations is as follows:

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| <b>Sale of products</b>                  |                                      |                                      |
| Finished goods (refer note 50)           | 1,16,187.59                          | 85,797.39                            |
| Traded goods                             | 29,218.42                            | 21,710.07                            |
| <b>Total sale of products (A)</b>        | <b>1,45,406.01</b>                   | <b>1,07,507.46</b>                   |
| <b>Sale of services</b>                  |                                      |                                      |
| Sale of service                          | 2,228.04                             | 1,450.20                             |
| Job work income                          | 347.09                               | 412.06                               |
| <b>Total Sale of services (B)</b>        | <b>2,575.13</b>                      | <b>1,862.26</b>                      |
| <b>Other operating revenue</b>           |                                      |                                      |
| Scrap sale                               | 152.97                               | 104.90                               |
| Mould and tool sale                      | 2,658.32                             | 1,318.23                             |
| <b>Total other operating revenue (C)</b> | <b>2,811.29</b>                      | <b>1,423.13</b>                      |
| <b>Revenue from operations (A+B+C)</b>   | <b>1,50,792.43</b>                   | <b>1,10,792.85</b>                   |

### 26.1 Contract Balances

|                                      | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Trade Receivables (refer note 14)    | 26,638.64                            | 22,298.19                            |
| Contract liabilities (refer note 23) | 1,972.46                             | 468.20                               |

### 26.2 Timing of revenue recognition

|                                      | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| Goods transferred at a point in time | 1,48,217.30                          | 1,08,930.59                          |
| Services transferred over time       | 2,575.13                             | 1,862.26                             |
|                                      | <b>1,50,792.43</b>                   | <b>1,10,792.85</b>                   |

### 26.3 Performance obligation

The performance obligation is satisfied upon delivery of the goods to the customer and payment is generally due within 30 to 120 days from delivery.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 26.4 Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| <b>Revenue as per contracted price</b>             | <b>1,53,265.42</b>                   | <b>1,12,634.92</b>                   |
| <b>Adjustments</b>                                 |                                      |                                      |
| Discounts  | (2,472.99)                           | (1,842.07)                           |
|  | <b>1,50,792.43</b>                   | <b>1,10,792.85</b>                   |
| India  | 1,49,009.34                          | 1,09,727.62                          |
| Outside India                                      | 1,783.09                             | 1,065.23                             |
| <b>Total Revenue from Contracts with Customers</b> | <b>1,50,792.43</b>                   | <b>1,10,792.85</b>                   |

### 27. OTHER INCOME

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| <b>Other non-operating income</b>                                     |                                      |                                      |
| Interest income   |                                      |                                      |
| - On fixed deposits   | 383.47                               | 370.02                               |
| - Others  | 20.69                                | 41.89                                |
| Liabilities no longer required written back                           | 43.60                                | 184.12                               |
| Rental Income   | 324.16                               | 244.78                               |
| Dividend Income   | 36.77                                | 31.51                                |
| Net gain on foreign currency transaction and translation              | 1.55                                 | 7.59                                 |
| Net change in fair value of investment in equity shares held at FVTPL | 158.57                               | 182.77                               |
| Government Grant  | 24.67                                | 11.79                                |
| Gain on sale of fixed assets  | 83.02                                | 258.03                               |
| Miscellaneous income  | 204.79                               | 485.97                               |
| <b>Total</b>  | <b>1,281.29</b>                      | <b>1,818.47</b>                      |

### 28. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year              | 3,195.02                             | 2,335.33                             |
| Add: Purchases                                      | 81,081.33                            | 59,382.10                            |
| Less: Inventory at the end of the year              | (4,432.76)                           | (3,195.02)                           |
| <b>Cost of raw material and components consumed</b> | <b>79,843.59</b>                     | <b>58,522.41</b>                     |

### 28(a) PURCHASE OF TRADED GOODS

|                                 | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---------------------------------|--------------------------------------|--------------------------------------|
| Automotive Components           | 21,282.11                            | 15,861.99                            |
| <b>Purchase of Traded Goods</b> | <b>21,282.11</b>                     | <b>15,861.99</b>                     |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 29. COST OF MOULDS CONSUMED

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year | 1,680.41                             | 1,077.73                             |
| Add: Purchases                         | 3,123.67                             | 1,753.70                             |
| Less: Inventory at the end of the year | (2,587.21)                           | (1,680.41)                           |
| <b>Cost of moulds consumed</b>         | <b>2,216.87</b>                      | <b>1,151.02</b>                      |

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

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| <b>Opening stock</b>   |                                      |                                      |
| - Finished goods   | 871.62                               | 698.28                               |
| - Traded Goods   | 1,834.97                             | 1,622.56                             |
| - Work-in progress   | 443.05                               | 367.63                               |
| <b>Total (A)</b>   | <b>3,149.64</b>                      | <b>2,688.47</b>                      |
| <b>Closing stock</b>   |                                      |                                      |
| - Finished goods   | 1,078.26                             | 871.62                               |
| - Traded Goods   | 2,037.00                             | 1,834.97                             |
| - Work-in progress   | 583.96                               | 443.05                               |
| <b>Total (B)</b>   | <b>3,699.22</b>                      | <b>3,149.64</b>                      |
| <b>Changes in inventories</b>  |                                      |                                      |
| - Finished Goods   | (206.64)                             | (173.34)                             |
| - Traded Goods   | (202.03)                             | (212.41)                             |
| - Work-in progress   | (140.91)                             | (75.42)                              |
| <b>(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)</b> | <b>(549.58)</b>                      | <b>(461.17)</b>                      |

### 31. EMPLOYEE BENEFITS EXPENSE

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus                  | 14,740.17                            | 11,874.58                            |
| Contributions to provident and other funds | 576.37                               | 530.75                               |
| Gratuity expense (refer note 39)           | 252.40                               | 208.24                               |
| Staff welfare expense                      | 706.25                               | 626.99                               |
| <b>Total</b>                               | <b>16,275.19</b>                     | <b>13,240.56</b>                     |

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 32. FINANCE COSTS

|                             | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|-----------------------------|--------------------------------------|--------------------------------------|
| Interest on term loans      | 137.88                               | 162.05                               |
| Interest on working capital | 521.29                               | 532.84                               |
| Interest paid to others     | 273.86                               | 287.28                               |
| <b>Total</b>                | <b>933.03</b>                        | <b>982.17</b>                        |

### 33. DEPRECIATION AND AMORTIZATION EXPENSE

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Depreciation of tangible assets (refer note 3)     | 3,102.32                             | 2,754.18                             |
| Amortization of intangible assets (refer note 4)   | 111.49                               | 77.95                                |
| Amortization of right to use assets (refer note 5) | 691.73                               | 525.60                               |
| Depreciation of investment property (refer note 6) | 45.05                                | 57.41                                |
| <b>Total</b>                                       | <b>3,950.59</b>                      | <b>3,415.14</b>                      |

### 34. OTHER EXPENSES

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
| Freight and forwarding charges             | 2,406.77                             | 1,942.69                             |
| Job work charges                           | 2,920.84                             | 1,925.81                             |
| Power and fuel                             | 2,016.92                             | 1,782.03                             |
| Consumables                                | 1,677.80                             | 1,160.29                             |
| Travelling and conveyance                  | 637.15                               | 410.04                               |
| Packing material consumed                  | 1,214.53                             | 1,012.01                             |
| Rent                                       | 318.88                               | 226.51                               |
| Legal and professional fees                | 685.55                               | 384.15                               |
| <b>Repairs and maintenance</b>             |                                      |                                      |
| - Plant and machinery                      | 1,219.55                             | 1,009.25                             |
| - Building                                 | 277.42                               | 269.32                               |
| - Others                                   | 510.59                               | 287.67                               |
| Communication cost                         | 102.13                               | 85.57                                |
| Bank Charges                               | 24.11                                | 22.02                                |
| Design, support and testing charges        | 258.38                               | 97.66                                |
| Rates and taxes                            | 121.38                               | 158.93                               |
| Payment to auditors (refer details below)* | 69.77                                | 67.60                                |
| Insurance                                  | 176.65                               | 121.88                               |
| CSR expenditure (refer details below)**    | 168.52                               | 176.40                               |
| Donation                                   | 5.00                                 | -                                    |
| Printing and stationery                    | 71.71                                | 50.97                                |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Advertisement and sales promotion                   | 122.45                               | 99.71                                |
| Director's sitting fees                             | 37.40                                | 15.40                                |
| Management fees                                     | 258.57                               | 399.74                               |
| Exchange difference (net)                           | 33.91                                | 13.43                                |
| Provision for doubtful debts and advances           | 1.98                                 | 46.68                                |
| Provision for impairment of investments             | 4.15                                 | -                                    |
| Outstanding balances written off                    | 0.27                                 | 1.20                                 |
| Royalty   | 502.64                               | 217.68                               |
| Warranty  | 56.37                                | 33.36                                |
| Loss on sale of property, plant and equipment (net) | -                                    | 35.52                                |
| Miscellaneous expenses                              | 697.51                               | 623.14                               |
| <b>Total</b>  | <b>16,598.90</b>                     | <b>12,676.66</b>                     |

### \*Payment to Auditor (excluding applicable taxes)

|                                 | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---------------------------------|--------------------------------------|--------------------------------------|
| <b>As Auditor:</b>              |                                      |                                      |
| Audit Fee                       | 30.75                                | 30.75                                |
| Tax Audit Fee                   | 1.75                                 | 1.75                                 |
| Limited Review                  | 9.00                                 | 9.00                                 |
| <b>In other Capacity:</b>       |                                      |                                      |
| Certification fees              | 0.50                                 | 0.50                                 |
| Reimbursement of expenses       | 2.55                                 | 1.65                                 |
| <b>Auditor of Subsidiaries:</b> |                                      |                                      |
| Audit Fee                       | 19.86                                | 18.04                                |
| Tax Audit Fee                   | 2.44                                 | 2.26                                 |
| Limited Review                  | 1.30                                 | 1.08                                 |
| <b>In other Capacity:</b>       |                                      |                                      |
| Certification fees              | 1.57                                 | 2.57                                 |
| Reimbursement of expenses       | 0.05                                 | -                                    |
| <b>Total</b>                    | <b>69.77</b>                         | <b>67.60</b>                         |

### \*\*Details of CSR expenditure:

|            |   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|------------|---|--------------------------------------|--------------------------------------|
| (a)        | Gross amount required to be spent by the Group during the year    | 162.22                               | 170.41                               |
| (b)        | Amount approved by the Board to be spent during the year          | 162.22                               | 170.41                               |
| <b>(c)</b> | <b>Amount spent during the year ending on<br/>March 31, 2022:</b> | <b>In Cash</b>                       | <b>Yet to be paid in<br/>Cash</b>    |
|            |   |                                      | <b>Total</b>                         |
| i)         | Construction/acquisition of any asset                             | -                                    | -                                    |
| ii)        | On purposes other than (i) above in cash                          | 168.52                               | -                                    |
|            |   |                                      | 168.52                               |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|  |  |  |  |
|--|--|--|--|
| (d) Amount spent during the year ending on March 31, 2021: | <b>In Cash</b>                                     | <b>Yet to be paid in Cash</b>            | <b>Total</b>                             |
| i) Construction/acquisition of any asset                   | -  | -  | -  |
| ii) On purposes other than (i) above in cash               | 176.40   | -  | 176.40                                   |
| (e) Details related to spent / unspent obligations:        |  | <b>For the Year Ended March 31, 2022</b> | <b>For the Year Ended March 31, 2021</b> |
| i) Contribution to Public Trust                            |  | -  | -  |
| ii) Contribution to Charitable Trust                       |  | 168.52                                   | 176.40                                   |
| iii) Unspent amount in relation to:                        |  |  |  |
| Ongoing project  |  | -  | -  |
| Other than ongoing project                                 |  | -  | -  |
| <b>In case of Section 135(5) Excess amount spent</b>       |  |  |  |
| <b>Opening Balance</b>                                     | <b>Amount required to be spent during the year</b> | <b>Amount spent during the year</b>      | <b>Closing Balance Short/ (excess)</b>   |
| (5.99)   | 162.22   | 168.52                                   | (12.29)                                  |

### 35. EXCEPTIONAL ITEM

|                           |  |  |
|---------------------------|--|--|
|                           | <b>For the Year Ended March 31, 2022</b> | <b>For the Year Ended March 31, 2021</b> |
| Employee separation cost* | 175.05                                   | -  |
| Scrap of Building         | -  | 63.00                                    |
| <b>Total</b>              | <b>175.05</b>                            | <b>63.00</b>                             |

\*Exceptional loss for the year ended March 31, 2022 represents final payment made to workers under settlement agreement in respect of the closure of one of the units of the Holding Company in the earlier year.

### 36. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

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

|   |  |  |
|---|--|--|
|   | <b>For the Year Ended March 31, 2022</b> | <b>For the Year Ended March 31, 2021</b> |
| Re-measurement gains/ (losses) on defined benefit plans | 62.46                                    | (73.03)                                  |
| Deferred tax thereon                                    | (15.73)                                  | 7.82                                     |
| Gain on FVTOCI equity securities                        | (3,638.68)                               | 3,925.98                                 |
| Deferred tax thereon                                    | 26.21                                    | (7.66)                                   |
|   | <b>(3,565.74)</b>                        | <b>3,853.11</b>                          |

### 37. EARNINGS PER SHARE (EPS)

- a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the year. Basic and diluted EPS are same as there are no convertible financial instruments outstanding as on March 31, 2022

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### b) The following reflects the income and share data used in the basic and diluted EPS computations:

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| <b>Profit attributable to the equity holders of the Group</b>                         | 6,940.90                             | 4,712.96                             |
| Weighted average number of equity shares for basic and diluted EPS                    | 6,81,57,705                          | 6,81,57,705                          |
| Basic and diluted earnings per share (face value ₹ 2 per share, PY ₹ 2 per share (₹)) | 10.18                                | 6.91                                 |

### c) 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.

## 38. GROUP INFORMATION

### (a) Information about subsidiaries and Joint Venture

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                    |                                      |
|---|----------------|--|--------------------------|--------------------------------------|--------------------------------------|
|   |                |  |                          | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
| 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 Mettals Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited) (refer note 42 (b)) | Subsidiary     | Manufacturing of Automobile Components | India                    | 100%                                 | 50%                                  |
| Lumax FAE Technologies Private Limited  | Subsidiary     | Manufacturing of Automobile Components | India                    | 84%                                  | 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                    | 50%                                  | 100%                                 |
| Lumax Alps Alpine India Private Limited   | Subsidiary#    | Manufacturing of Automobile Components | India                    | 50%                                  | NA                                   |
| Lumax Ituran Telematics Private Limited   | Subsidiary*    | Sale of Automobile Components          | India                    | 50%                                  | NA                                   |
| Lumax Ituran Telematics Private Limited   | Joint venture* | Sale of Automobile Components          | India                    | NA                                   | 50%                                  |

# During the current year, the Holding Company entered into a Joint Venture with Alps Alpine Co. Limited, Japan to establish a Joint Venture company "Lumax Alps Alpine India Private Limited" for manufacturing and sale of automobile components.

\*Subsidiary w.e.f. January 01, 2022. Joint venture till December 31, 2021 (refer note 51)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### (b) Material partly-owned subsidiaries

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

Proportion of equity interest held by non-controlling interests:

| Name  | Principal activities                   | Country of incorporation | % Equity interest held by non-controlling parties |                |
|---|--|--------------------------|---|----------------|
|   |  |                          | March 31, 2022                                    | March 31, 2021 |
| 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 Alps Alpine India Private Limited           | Manufacturing of Automobile Components | India                    | 50%   | NA             |
| Lumax FAE Technologies Private Limited            | Manufacturing of Automobile Components | India                    | 16%   | 49%            |
| Lumax Jopp Allied Technologies Private Limited    | Manufacturing of Automobile Components | India                    | 50%   | 50%            |
| Lumax Yokowo Technologies Private Limited         | Manufacturing of Automobile Components | India                    | 50%   | 0%             |
| Lumax Ituran Telematics Private Limited*          | Sale of Automobile Components          | India                    | 50%   | NA             |

\*Subsidiary w.e.f. January 01, 2022. Joint venture till December 31, 2021 (refer note 51)

### (c) Information regarding non-controlling interest

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| <b>Accumulated balances of material non-controlling interest</b>   | 6,077.44                | 4,036.62                |
| <b>Total Comprehensive income/(loss) allocated to material non-controlling interest</b>                    |                         |                         |
| - Lumax Mannoh Allied Technologies Limited   | 878.68                  | 473.00                  |
| - Lumax Cornaglia Auto Technologies Private Limited  | 637.17                  | 328.54                  |
| - Lumax Mettalics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited)* | -                       | (200.84)                |
| - Lumax FAE Technologies Private Limited   | (174.35)                | (144.27)                |
| - Lumax Jopp Allied Technologies Private Limited   | (51.06)                 | (59.10)                 |
| - Lumax Alps Alpine India Private Limited  | (11.76)                 | -                       |
| - Lumax Yokowo Technologies Private Limited  | (2.68)                  | -                       |
| - Lumax Ituran Telematics Private Limited**  | (19.68)                 | -                       |

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

\*\* With effect from January 01, 2022, became the subsidiary of the Holding Company.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### (d) Summarised statement of profit and loss for the year ended March 31, 2022

|  | Lumax Mannoh Allied Technologies Limited | Lumax Private Limited (Formerly known as Lumax Gill - Austern Auto Technologies Private Limited) | Lumax Integrated Ventures Private Limited** | Velomax Mobility Private Limited ^ | Lumax Energy Solutions Private Limited ^ | 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 | Lumax Alps Alpine India Private Limited | Lumax Ituran Telematics Private Limited # |
|--|--|--|---|------------------------------------|--|---|--|--|---|---|---|---|
| Total Income   | 20,176.40                                | 4,009.20   | 0.83  | -                                  | -  | 2,978.84                                  | 280.58                                 | 411.88   | 9,965.16  | 2.57                                      | 982.88                                  | 26.92                                     |
| Consumption*   | 13,057.11                                | 2,820.05   | -   | -                                  | -  | -   | 205.03                                 | 299.33   | 6,000.64  | 0.01                                      | 799.66                                  | 23.42                                     |
| Other expenses (including Employee benefit and depreciation)   | 4,410.29                                 | 1,493.88   | 23.67                                       | 0.17                               | 1.56                                     | 2,354.68                                  | 394.26                                 | 215.77   | 2,159.34  | 21.94                                     | 202.40                                  | 40.66                                     |
| Finance costs  | 75.83                                    | 80.57  | -   | -                                  | -  | 21.73                                     | 182.62                                 | 0.13   | 100.79  | 0.01                                      | 11.56                                   | 3.55                                      |
| <b>Profit/(loss) before tax</b>  | <b>2,633.17</b>                          | <b>(385.30)</b>  | <b>(22.84)</b>                              | <b>(0.17)</b>                      | <b>(1.56)</b>                            | <b>602.43</b>                             | <b>(501.33)</b>                        | <b>(103.35)</b>                                | <b>1,704.39</b>                                   | <b>(19.39)</b>                            | <b>(30.74)</b>                          | <b>(40.71)</b>                            |
| Income tax (including deferred tax)  | 692.11                                   | -  | -   | -                                  | -  | 143.80                                    | (491.2)                                | 1.18   | 437.37  | -   | (7.67)                                  | (1.36)                                    |
| <b>Profit/(loss) for the year</b>  | <b>1,941.06</b>                          | <b>(385.30)</b>  | <b>(22.84)</b>                              | <b>(0.17)</b>                      | <b>(1.56)</b>                            | <b>458.63</b>                             | <b>(452.21)</b>                        | <b>(104.53)</b>                                | <b>1,267.02</b>                                   | <b>(19.39)</b>                            | <b>(23.07)</b>                          | <b>(39.35)</b>                            |
| <b>Total comprehensive income/(loss) for the year, net of tax (comprising net profit/(loss) for the year and other comprehensive income)</b> | <b>1,952.61</b>                          | <b>(385.33)</b>  | <b>(22.84)</b>                              | <b>(0.17)</b>                      | <b>(1.56)</b>                            | <b>479.89</b>                             | <b>(452.21)</b>                        | <b>(102.13)</b>                                | <b>1,274.33</b>                                   | <b>(19.39)</b>                            | <b>(23.52)</b>                          | <b>(39.35)</b>                            |
| Attributable to non-controlling interest   | 878.68                                   | -  | -   | -                                  | -  | -   | (174.35)                               | (51.06)  | 63717   | (2.68)                                    | (11.76)                                 | (19.68)                                   |
| Dividends paid to non-controlling interest   | (234.93)                                 | -  | -   | -                                  | -  | -   | -                                      | -  | -   | -   | -                                       | -   |

\* Consumption include cost of raw material consumed, cost of mould consumed, 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 is under process of voluntary liquidation with National Company Law Tribunal (NCLT) and has not been presented as a part of the above disclosure.

^ Velomax Mobility Private Limited has been voluntarily strike off during the year and Lumax Energy Solutions Private Limited in under process of voluntary liquidation with NCLT # for the period January 01, 2022 to March 31, 2022

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

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

**(e) Summarised statement of profit and loss for the year ended March 31, 2021**

|  | Lumax MannoH Allied Technologies Limited | Lumax Metallix Private Limited (Formerly known as Lumax Gill - Austem Auto Technologies Private Limited) | Lumax Integrated Ventures Private Limited** | Velomax Mobility Private Limited | Lumax Energy Solutions Private Limited | Elimination | Lumax Management Services Private Limited | Lumax FAE Technologies Private Limited | Lumax Jopp Allied Technologies Private Limited | Lumax Cornaglia Auto Technologies Private Limited | Lumax Yokowo Technologies Private Limited |
|--|--|--|---|----------------------------------|--|-------------|---|--|--|---|---|
| Total Income   | 12,429.02                                | 1,350.80   | -   | -                                | -                                      | -           | 2,329.12                                  | 150.02                                 | 138.41   | 7,418.51  | -   |
| Consumption*   | 7,832.96                                 | 800.49   | -   | -                                | -                                      | -           | -   | 136.44                                 | 102.47   | 4,377.92  | -   |
| Other expenses (including Employee benefit and depreciation)   | 3,076.78                                 | 900.59   | 4.19  | 0.54                             | 0.89                                   | (2.60)      | 2,056.81                                  | 182.02                                 | 152.13   | 2,045.96  | 6.38                                      |
| Finance costs  | 89.56                                    | 36.08  | -   | -                                | -                                      | -           | 50.92                                     | 77.87                                  | 0.09   | 166.64  | 0.00                                      |
| <b>Profit/(loss) before tax and Exceptional item</b>   | <b>1,429.72</b>                          | <b>(386.37)</b>  | <b>(4.19)</b>                               | <b>(0.54)</b>                    | <b>(0.89)</b>                          | <b>2.60</b> | <b>221.39</b>                             | <b>(246.31)</b>                        | <b>(116.28)</b>                                | <b>827.99</b>                                     | <b>(6.38)</b>                             |
| Exceptional item   | -  | -  | -   | -                                | -                                      | -           | (63.00)                                   | -                                      | -  | -   | -   |
| <b>Profit/(loss) before tax</b>  | <b>1,429.72</b>                          | <b>(386.37)</b>  | <b>(4.19)</b>                               | <b>(0.54)</b>                    | <b>(0.89)</b>                          | <b>2.60</b> | <b>158.39</b>                             | <b>(246.31)</b>                        | <b>(116.28)</b>                                | <b>827.99</b>                                     | <b>(6.38)</b>                             |
| Income tax (including deferred tax)  | 369.04                                   | 65.03  | -   | -                                | -                                      | -           | 22.32                                     | 49.12                                  | (0.06)   | 171.27  | -   |
| <b>Profit/(loss) for the year</b>  | <b>1,060.68</b>                          | <b>(451.40)</b>  | <b>(4.19)</b>                               | <b>(0.54)</b>                    | <b>(0.89)</b>                          | <b>2.60</b> | <b>136.07</b>                             | <b>(295.43)</b>                        | <b>(116.22)</b>                                | <b>656.72</b>                                     | <b>(6.38)</b>                             |
| <b>Total comprehensive income/(loss) for the year, net of tax (comprising net profit/(loss) for the year and other comprehensive income)</b> | <b>1,051.12</b>                          | <b>(451.77)</b>  | <b>(4.19)</b>                               | <b>(0.54)</b>                    | <b>(0.89)</b>                          | <b>2.60</b> | <b>146.42</b>                             | <b>(295.43)</b>                        | <b>(118.19)</b>                                | <b>657.07</b>                                     | <b>(6.38)</b>                             |
| Attributable to non-controlling interest   | 473.00                                   | (200.84)   | -   | -                                | -                                      | -           | -   | (144.27)                               | (59.10)  | 328.54  | -   |
| Dividend paid to non-controlling interest  | (78.31)                                  | -  | -   | -                                | -                                      | -           | -   | -                                      | -  | -   | -   |

\* Consumption include cost of raw material consumed, cost of mould consumed, 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, 2022 (Contd.)

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

### (f) Summarised balance sheet as at March 31, 2022

|   | 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 F&E Technologies Private Limited | Lumax Jopp Allied Technologies Private Limited | Lumax Cornaglia Auto Technologies Private Limited | Lumax Yokowo Technologies Private Limited | Lumax Alps Private Limited | Lumax Ituran Telematics Private Limited |
|---|--|---|---|----------------------------------|--|-------------|---|--|--|---|---|----------------------------|---|
| Inventories and cash and cash equivalents, other bank balance                   | 5,139.60                                 | 1,226.65  | 51.28                                     | -                                | 0.11                                   | -           | 138.12                                    | 143.91                                 | 201.84   | 2,356.72  | 307.88                                    | 1,346.02                   | 435.38                                  |
| Non current assets and current assets except shown above                        | 7,407.38                                 | 3,049.90  | 2.29                                      | -                                | -                                      | 1.29        | 7,186.55                                  | 2,505.57                               | 236.51   | 5,532.13  | 268.96                                    | 1,141.90                   | 424.94                                  |
| Trade and other payable and current liability, provisions                       | (6,167.89)                               | (3,778.98)  | (0.54)                                    | -                                | -                                      | -           | (972.28)                                  | (1,707.73)                             | (79.32)  | (2,867.91)  | (152.61)                                  | (1,301.44)                 | (217.43)                                |
| Interest-bearing loans and borrowing and deferred tax liabilities (non-current) | (24.18)                                  | -   | -   | -                                | -                                      | -           | (80.67)                                   | (504.15)                               | (2.06)   | (446.93)  | -   | -                          | (503.30)                                |
| <b>Total equity</b>   | <b>6,354.91</b>                          | <b>497.57</b>   | <b>53.03</b>                              | -                                | <b>0.11</b>                            | <b>1.29</b> | <b>6,271.72</b>                           | <b>437.60</b>                          | <b>356.97</b>                                  | <b>4,574.01</b>                                   | <b>424.23</b>                             | <b>1,186.48</b>            | <b>139.59</b>                           |
| <b>Attributable to:</b>   |  |   |   |                                  |  |             |   |  |  |   |   |                            |   |
| Equity holders of parent  | 3,493.91                                 | 497.57  | 53.03                                     | -                                | 0.11                                   | 1.29        | 6,271.72                                  | 572.00                                 | 178.49   | 2,287.01  | 201.91                                    | 593.24                     | 69.79                                   |
| Non-controlling interest  | 2,861.00                                 | -   | -   | -                                | -                                      | -           | -   | (134.40)                               | 178.49   | 2,287.00  | 222.32                                    | 593.24                     | 69.79                                   |

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### (h) Summarised Cash flow for the year ended March 31, 2022

|   | 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 Auto Technologies Private Limited | Lumax Alps Alpine India Private Limited | Lumax Ituran Telematics Private Limited |
|---|--|---|---|----------------------------------|--|-------------|---|--|--|---|--|---|---|
| <b>Cash generated from/ (used in)</b>                       |  |   |   |                                  |  |             |   |  |  |   |  |   |   |
| Operating activities  | 1,979.58                                 | (399.39)  | (24.47)                                   | (0.78)                           | (0.65)                                 | 19.39       | 276.55                                    | (514.88)                               | (157.06)                                       | 1,805.40  | (39.50)  | (305.93)                                | (150.30)                                |
| Investing activities  | (195.07)                                 | (212.40)  | 30.53                                     | -                                | -                                      | (19.39)     | (235.04)                                  | 19.87                                  | (29.62)  | (5.61)  | (99.97)  | (167.73)                                | (372.63)                                |
| Financing activities  | (581.70)                                 | 1,088.41  | -   | 0.75                             | -                                      | -           | (256.91)                                  | 164.59                                 | 199.87   | (1,096.28)  | 428.99   | 1,173.15                                | 750.88                                  |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>1,202.81</b>                          | <b>476.62</b>   | <b>6.06</b>                               | <b>(0.03)</b>                    | <b>(0.65)</b>                          | <b>-</b>    | <b>(215.40)</b>                           | <b>(330.42)</b>                        | <b>13.19</b>                                   | <b>703.51</b>                                     | <b>289.52</b>                                  | <b>699.49</b>                           | <b>227.95</b>                           |

### (i) Summarised Cash flow 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 Auto Technologies Private Limited |
|---|--|---|---|----------------------------------|--|-------------|---|--|--|---|--|
| <b>Cash generated from/ (used in)</b>                       |  |   |   |                                  |  |             |   |  |  |   |  |
| Operating activities  | 547.58                                   | (343.95)  | (3.65)                                    | (0.38)                           | (0.30)                                 | 27.08       | 383.04                                    | (753.76)                               | (113.10)                                       | 892.35  | (4.74)   |
| Investing activities  | (205.57)                                 | (163.65)  | 2.59                                      | -                                | -                                      | (27.08)     | 15.67                                     | (726.95)                               | (105.45)                                       | (71.49)   | -  |
| Financing activities  | (385.32)                                 | 555.64  | 2.00                                      | -                                | -                                      | -           | (177.58)                                  | 1,821.88                               | 299.91   | (562.08)  | 20.00  |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | <b>(43.31)</b>                           | <b>48.04</b>  | <b>0.94</b>                               | <b>(0.38)</b>                    | <b>(0.30)</b>                          | <b>-</b>    | <b>221.13</b>                             | <b>341.17</b>                          | <b>81.36</b>                                   | <b>258.78</b>                                     | <b>15.26</b>                                   |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### (j) Interest in joint venture

The Holding Company has a 50% interest in Lumax Ituran Telematics Private Limited, a joint venture till December 31, 2021 (became Subsidiary w.e.f. January 01, 2022 for details refer note 51) involved in the manufacture of some of the Group's main product lines in automotive equipment in India. The Holding Company's interest in Lumax Ituran Telematics Private Limited is accounted for using the equity method in the consolidated financial statements till December 31, 2021. Summarised 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 as on March 31, 2022 are set out below:

#### a) Summarized balance sheet of Lumax Ituran Telematics Private Limited

|   | As at<br>March 31, 2022* | As at<br>March 31, 2021 |
|---|--------------------------|-------------------------|
| Inventories and cash and cash equivalents, other bank balance                   | -                        | 55.80                   |
| Non current assets and current assets except shown above                        | -                        | 42.55                   |
| Trade and other payable and current liability, provisions                       | -                        | (43.86)                 |
| Interest-bearing loans and borrowing and deferred tax liabilities (non-current) | -                        | (2.21)                  |
| Equity  | -                        | 52.28                   |
| Proportion of the Group's ownership   | -                        | 50%                     |
| Carrying amount of the investment   | -                        | 26.19                   |

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

|   | For the Period<br>Ended<br>December 31,<br>2021* | For the Year Ended<br>March 31, 2021 |
|---|--|--------------------------------------|
| Total Income  | 155.76   | 114.46                               |
| Cost of raw material and components consumed        | 133.46   | 96.68                                |
| Depreciation & amortization                         | 7.47   | 4.30                                 |
| Employee benefit                                    | 65.54  | 60.09                                |
| Other expense                                       | 20.75  | 21.61                                |
| <b>Loss before tax</b>                              | <b>(71.46)</b>                                   | <b>(68.22)</b>                       |
| Income tax expense                                  | 1.87   | (0.58)                               |
| <b>Loss for the year</b>                            | <b>(73.33)</b>                                   | <b>(67.64)</b>                       |
| <b>Total comprehensive loss for the year</b>        | <b>(73.33)</b>                                   | <b>(67.64)</b>                       |
| <b>Group's share of Profit/ (loss) for the year</b> | <b>(36.67)</b>                                   | <b>(33.82)</b>                       |

The Group's share of profit/(loss) in Joint venture of one of the subsidiary Companies, Sipal Engineering Private Limited is ₹ (20.74) Lakhs (March 31, 2021: ₹ 24.49 Lakhs).

\* Refer note 51

### 39. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with an insurance company in the form of qualifying insurance policy.

#### A) Defined contribution plans

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

|   | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Employer's contribution to provident fund | 576.37                               | 530.75                               |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### B) Defined Benefit Plans:

a) The following tables summaries 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:

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
|  | Gratuity                             | Gratuity                             |
| <b>Cost for the year included under employee benefit</b> |                                      |                                      |
| Current service cost                                     | 196.13                               | 159.50                               |
| Interest cost  | 56.31                                | 42.76                                |
| Transfer in /out   | (0.04)                               | 5.98                                 |
| <b>Net benefit expense</b>                               | <b>252.40</b>                        | <b>208.24</b>                        |

### b) Amounts recognized in statement of other comprehensive income (OCI)

|  | For the Year Ended<br>March 31, 2022 | For the Year Ended<br>March 31, 2021 |
|--|--------------------------------------|--------------------------------------|
|  | Gratuity                             | Gratuity                             |
| <b>Opening amount recognized in OCI outside statement of profit and loss</b> | <b>46.06</b>                         | <b>(26.97)</b>                       |
| Remeasurement for the year - Obligation (Gain) / Loss                        | (58.99)                              | 76.62                                |
| Remeasurement for the year - Plan Assets (Gain) / Loss                       | (3.47)                               | (3.59)                               |
| <b>Total remeasurement Cost / (Credit) for the year recognized in OCI</b>    | <b>(62.46)</b>                       | <b>73.03</b>                         |
| <b>Closing amount recognized in OCI outside statement of profit and loss</b> | <b>(16.40)</b>                       | <b>46.06</b>                         |

### c) Mortality table

|   | As at<br>March 31, 2022                           | As at<br>March 31, 2021 |
|---|---|-------------------------|
|   | Gratuity  | Gratuity                |
| <b>Mortality table</b>  | IALM(2012-14) ult                                 | IALM(2012-14) ult       |
| <b>Economic assumptions</b>   |   |                         |
| 1 Discount rate   | 7.00%   | 6.30%                   |
| 2 Rate of increase in compensation levels - for the first two years | 8.00%   | 8.00%                   |
| - Thereafter  | 8.00%   | 8.00%                   |
| 3 Rate of return on plan assets                                     | 6.30%   | 6.20%                   |
| <b>Demographic assumptions</b>                                      |   |                         |
| 1 Expected average remaining working lives of employees (years)     | 9.29  | 9.59                    |
| 2 Retirement Age (years)  | 58 years  | 58 years                |
| 3 Mortality Rate  | Indian Assured Lives Mortality (2012-14) ultimate |                         |
| <b>Withdrawal Rate</b>  |   |                         |
| 1 upto 30 years   | 8.00%   | 8.00%                   |
| 2 Ages from 31-40   | 8.00%   | 8.00%                   |
| 3 Ages from 41-50   | 8.00%   | 8.00%                   |
| 4 Above 50 years  | 8.00%   | 8.00%                   |

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

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

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Benefit obligation as at the beginning of the year | 1,631.63                | 1,416.23                |
| Transfer in/(out)                                  | 0.15                    | 5.98                    |
| Current service cost                               | 196.13                  | 159.50                  |
| Interest cost                                      | 99.14                   | 86.97                   |
| Benefit paid                                       | (157.46)                | (111.56)                |
| Actuarial loss/(gain)                              | (58.99)                 | 74.51                   |
| <b>Gross Liability</b>                             | <b>1,710.60</b>         | <b>1,631.63</b>         |

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

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Opening fair value of plan assets       | 710.71                  | 708.46                  |
| Expected return on plan assets          | 42.01                   | 43.90                   |
| Contribution made during the year       | 57.46                   | 7.73                    |
| Benefits paid                           | (154.33)                | (51.98)                 |
| Mortality charges                       | (7.46)                  | (1.29)                  |
| Actuarial gain on plan assets           | 4.49                    | 3.89                    |
| <b>Closing fair Value of Plan asset</b> | <b>652.88</b>           | <b>710.71</b>           |

**f) Benefit (asset) / liability:**

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| Present value of Defined Benefit Obligation (DBO) | 1,710.60                | 1,631.63                |
| Fair value of plan assets                         | 652.88                  | 710.71                  |
| <b>Net (assets) / liability</b>                   | <b>1,057.72</b>         | <b>920.92</b>           |

**g) Major category of plan assets (as a % of total plan assets)**

|                             | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|-----------------------------|-------------------------|-------------------------|
| Investment with the insurer | 100%                    | 100%                    |

**h) A quantitative sensitivity analysis for significant assumption is as shown below:**

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
|  | Gratuity                | Gratuity                |
| <b>A. Discount rate</b>                                    |                         |                         |
| Effect on DBO due to 1% increase in Discount Rate          | 1,607.44                | 1,525.94                |
| Effect on DBO due to 1% decrease in Discount Rate          | 1,826.01                | 1,751.57                |
| <b>B. Salary escalation rate</b>                           |                         |                         |
| Effect on DBO due to 1% increase in Salary Escalation Rate | 1,801.73                | 1,728.53                |
| Effect on DBO due to 1% decrease in Salary Escalation Rate | 1,625.62                | 1,543.23                |
| <b>C. Withdrawal rate</b>                                  |                         |                         |
| Effect on DBO due to 1% increase in Withdrawal rate        | 1,705.50                | 1,621.90                |
| Effect on DBO due to 1% decrease in Withdrawal rate        | 1,715.37                | 1,642.57                |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### i) The expected benefit payments in future years is as follows:

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| March 31, 2022  | -                       | 223.25                  |
| March 31, 2023  | 267.21                  | 164.18                  |
| March 31, 2024  | 138.91                  | 133.43                  |
| March 31, 2025  | 231.64                  | 219.00                  |
| March 31, 2026  | 255.53                  | 249.36                  |
| March 31, 2027  | 218.86                  | -                       |
| March 31, 2028 to March 31, 2032 (PY: March 31, 2027 to March 31, 2031) | 1,234.16                | 1,135.04                |

## 40. COMMITMENTS AND CONTINGENCIES

### a) Capital and other commitments

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

Capital commitments are ₹ 2,091.62 Lakhs (As at March 31, 2021 ₹ 476.87 Lakhs), net of advances.

### (b) Contingent liabilities

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Claims against the Group not acknowledged as debts</b>   |                         |                         |
| <b>Holding Company:</b>   |                         |                         |
| 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 had preferred an appeal with Commissioner of Income Tax (Appeals) CIT(A) against the same and got rejected and further the Company filed appeal with Income Tax Appellate Tribunal (ITAT). During the year, the Company has received a favourable ITAT order.  | -                       | 2.76                    |
| Demand from Employee State Insurance Department   | 0.90                    | 0.90                    |
| The Company 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 ₹ 1,033.28 Lakhs including interest u/s 234ABC in respect of above matter for which the Company had filed the appeal to income tax authorities. During the current year, the Company has received a favorable order in this regard from CIT(A) and the department has filed an appeal against the said order of CIT(A). The Company is of the view, based on the advice of the advocate, that the final outcome of the case would be in the favor of the Company and hence, no provision has been made in the books of accounts. | 1,033.28                | 1,033.28                |
| During the earlier year, the Company received demand cum show cause notice from the Indirect Tax department alleged that the Company availed the duty drawback on the basis of unrealized sale proceeds. The Company filed the reply to the assistant commissioner of customs Inland Container Depot (ICD), Tughlakabad, dated February 07, 2020 against the above show cause notice and the response is awaited as on date. The Company is of the view, based on the advice of the advocate, that the final outcome of the case would be in the favor of the Company and hence, no provision has been made in the books of accounts.   | 19.24                   | 19.24                   |
| During the previous year, the Company has received show cause notice dated June 08, 2020 from the Indirect tax 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. The Company is of the view, based on the advice of the advocate, that the final outcome of the case would be in the favor of the Company and hence, no provision has been made in the books of accounts.   | 32.14                   | 32.14                   |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|---|-------------------------|-------------------------|
| <b>Subsidiaries:</b>  | 15.24                   | 1.32                    |
| One of the subsidiary Companies received demand cum show cause notice from the Indirect tax department for Custom classification dispute. The Subsidiary Company has filed reply to the department. The Subsidiary Company is of the view, based on the advice of the advocate, that the final outcome of the case would be in the favor of the Company and hence, no provision has been made in the books of accounts. |                         |                         |

(c) The Holding Company 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 Labor Practices at the Labor court. The Court has passed an order in the favor 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. Out of those 20 cases, the matter has been decided by the Industrial court in favor of the Holding Company for 17 cases vide order dated March 28, 2022. For remaining 3 cases, the Holding Company is of the view, based on the advice of the advocate, that the final outcome of the case would be in the favor 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 the 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 in addition to the 25% already deposited in previous year. The Holding Company is of the view, based on the advice of the advocate, that the final outcome of the case would be in the favor 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, 2022 (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 of Holding Company                                      | Mr D. K. Jain (Chairman)   |
|  |  | Mr Anmol Jain (Managing Director)                                      |
|  |  | Mr Vikas Marwah (Chief Executive Officer)                              |
|  |  | Mr Ashish Dubey (Chief Financial Officer)                              |
|  |  | Mr Anil Tyagi (Company Secretary)                                      |
| 2  | Key Management Personnel of Subsidiary Companies                                 | Mr Deepak Jain (Director)  |
|  |  | Mr Tomoki Mori (Director) (till February 07, 2022)                     |
|  |  | Mr Naval Khanna (Director)   |
|  |  | Mr Jai Kishan Taneja (Director)  |
|  |  | Mr Raajesh Kumar Gupta (Company Secretary)                             |
|  |  | Mr Rishi Gupta (Company Secretary)                                     |
|  |  | Mr Sukhvir bhardwaj (Company Secretary) (w.e.f. February 07, 2022)     |
|  |  | Mr Pawan Kumar (Company Secretary)                                     |
|  |  | Mr Manoj Kumar Gupta (Chief Financial Officer) (w.e.f. March 30, 2022) |
| Mr Yogesh Jaitly (w.e.f. March 30, 2022) |  |  |
| 3  | Relatives of Key Management Personnel  | Mrs Shivani Jain (Wife of Mr Anmol Jain)                               |
|  |  | Mrs Poysha Goyal Jain (Wife of Mr Deepak Jain)                         |
| 4  | Non Executive Director   | Mr Arun Kumar Malhotra   |
|  |  | Mr Avinash Parkash Gandhi  |
|  |  | Mr Kanchan Kumar Gandhi (till February 01, 2021)                       |
|  |  | Mr Roop Salotra  |
|  |  | Mr Milap Jain  |
|  |  | Mrs Diviya Chanana   |
|  |  | Mr Sanjay Mehta  |
| 5  | Joint Venture  | Lumax Ituran Telematics Private Limited (till December 31, 2021)       |
| 6  | Associate of subsidiary (Associate of Lumax Integrated Ventures Private Limited) | Sipal Engineering Private Limited (till July 05, 2021)                 |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

| S. No.                             | Relationship   | Name of Related Parties                 |
|------------------------------------|--|---|
| 7                                  | 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 Albergo S.A.U.                |
|                                    |  | PT MTAT Indonesia                       |
|                                    |  | Officine Metallurgiche G. Cornaglia SPA |
|                                    |  | Cornaglia Centro Ricerche               |
|                                    |  | Cor-Filters                             |
|                                    |  | M&T Allied Technologies Co. Limited     |
|                                    |  | Alps Alpine Co Limited                  |
|                                    |  | Alps Electric India Private Limited     |
|                                    |  | Alps Logicom India Private Limited      |
|                                    |  | Alps Logistics India Private Limited    |
| Ituran Location & Controls Limited |  |   |
| Jopp Automotive GMBH               |  |   |
| Yokowo Co. Limited                 |  |   |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

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

| Particulars                                 | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021   | March 31, 2022 | March 31, 2021 | March 31, 2022   | March 31, 2021   |
| <b>TRANSACTIONS</b>                         |  |                |  |                  |                |                |                  |                  |
| <b>Sale of Raw Materials and Components</b> |  |                |  |                  |                |                |                  |                  |
| Lumax Industries Limited                    | -  | -              | 186.98   | 39.74            | -              | -              | 186.98           | 39.74            |
| Lumax Ancillary Limited                     | -  | -              | 414.80   | 288.13           | -              | -              | 414.80           | 288.13           |
| Bharat Enterprises                          | -  | -              | -  | 0.34             | -              | -              | -                | 0.34             |
| M&T Allied Technologies Co. Limited         | -  | -              | 9.31   | -                | -              | -              | 9.31             | -                |
| Mannoh Industrial Co. Limited               | -  | -              | 65.01  | -                | -              | -              | 65.01            | -                |
| Yokowo Co. Limited                          | -  | -              | 0.50   | -                | -              | -              | 0.50             | -                |
| PT MTAT Indonesia                           | -  | -              | 2.83   | -                | -              | -              | 2.83             | -                |
| <b>Total</b>                                | -  | -              | <b>679.43</b>  | <b>328.21</b>    | -              | -              | <b>679.43</b>    | <b>328.21</b>    |
| <b>Sale of Finished Goods</b>               |  |                |  |                  |                |                |                  |                  |
| Lumax Industries Limited                    | -  | -              | 14,116.90  | 12,165.76        | -              | -              | 14,116.90        | 12,165.76        |
| Lumax Ancillary Limited                     | -  | -              | 704.27   | 877.91           | -              | -              | 704.27           | 877.91           |
| 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             |
| Bharat Enterprises                          | -  | -              | 0.12   | -                | -              | -              | 0.12             | -                |
| Lumax Ituran Telematics Private Limited     | -  | -              | -  | -                | 0.02           | -              | 0.02             | -                |
| Cor-Filters                                 | -  | -              | 172.40   | 104.08           | -              | -              | 172.40           | 104.08           |
| <b>Total</b>                                | -  | -              | <b>14,993.69</b>   | <b>13,267.73</b> | <b>0.02</b>    | -              | <b>14,993.71</b> | <b>13,267.73</b> |
| <b>Sale of Capital Goods</b>                |  |                |  |                  |                |                |                  |                  |
| Lumax Ancillary Limited                     | -  | -              | -  | 2.22             | -              | -              | -                | 2.22             |
| <b>Total</b>                                | -  | -              | -  | <b>2.22</b>      | -              | -              | -                | <b>2.22</b>      |



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

| Particulars                             | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021  | March 31, 2022 | March 31, 2021 | March 31, 2022  | March 31, 2021  |
| <b>Sale of Others</b>                   |  |                |  |                 |                |                |                 |                 |
| Lumax Ituran Telematics Private Limited | -  | -              | -  | -               | 1.07           | -              | 1.07            | -               |
| Francisco Alberio S.A.U                 | -  | -              | 1.06   | -               | -              | -              | 1.06            | -               |
| Lumax Industries Limited                | -  | -              | 1.77   | -               | -              | -              | 1.77            | -               |
| <b>Total</b>                            | -  | -              | <b>2.83</b>  | -               | <b>1.07</b>    | -              | <b>3.90</b>     | -               |
| <b>Availing of Services</b>             |  |                |  |                 |                |                |                 |                 |
| Lumax Industries Limited                | -  | -              | 196.91   | 50.44           | -              | -              | 196.91          | 50.44           |
| Lumax Tours & Travels Limited           | -  | -              | 121.23   | 17.05           | -              | -              | 121.23          | 17.05           |
| Ituran Location & Controls Limited      | -  | -              | 6.04   | -               | -              | -              | 6.04            | -               |
| 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            |
| Alps Electric India Private Limited     | -  | -              | 0.13   | -               | -              | -              | 0.13            | -               |
| Alps Logistics India Private Limited    | -  | -              | 9.56   | -               | -              | -              | 9.56            | -               |
| Alps Logicom India Private Limited      | -  | -              | 4.26   | -               | -              | -              | 4.26            | -               |
| Officine Metallurgiche G. Cornaglia SPA | -  | -              | 6.77   | -               | -              | -              | 6.77            | -               |
| Yokowo Co. Limited                      | -  | -              | 97.07  | -               | -              | -              | 97.07           | -               |
| Lumax Ancillary Limited                 | -  | -              | 27.41  | 22.00           | -              | -              | 27.41           | 22.00           |
| <b>Total</b>                            | -  | -              | <b>469.38</b>  | <b>120.37</b>   | -              | <b>0.36</b>    | <b>469.38</b>   | <b>120.73</b>   |
| <b>Rendering of Services</b>            |  |                |  |                 |                |                |                 |                 |
| Lumax Ancillary Limited                 | -  | -              | 0.71   | 3.06            | -              | -              | 0.71            | 3.06            |
| Lumax Industries Limited                | -  | -              | 2,021.42   | 1,343.03        | -              | -              | 2,021.42        | 1,343.03        |
| Bharat Enterprises                      | -  | -              | 0.05   | 0.18            | -              | -              | 0.05            | 0.18            |
| Alps Electric India Private Limited     | -  | -              | 12.25  | -               | -              | -              | 12.25           | -               |
| Sipal Engineering Private Limited       | -  | -              | -  | -               | 2.95           | 11.80          | 2.95            | 11.80           |
| Cornaglia Centro Ricerche               | -  | -              | -  | 58.53           | -              | -              | -               | 58.53           |
| Mahavir Udyog                           | -  | -              | -  | 0.38            | -              | -              | -               | 0.38            |
| Lumax Ituran Telematics Private Limited | -  | -              | -  | -               | -              | 0.21           | -               | 0.21            |
| <b>Total</b>                            | -  | -              | <b>2,034.43</b>  | <b>1,405.17</b> | <b>2.95</b>    | <b>12.01</b>   | <b>2,037.38</b> | <b>1,417.19</b> |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

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

| Particulars                                      | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021  | March 31, 2022 | March 31, 2021 | March 31, 2022   | March 31, 2021  |
| <b>Rent Income</b>                               |  |                |  |                 |                |                |                  |                 |
| Lumax Tours & Travels Limited                    | -  | -              | 3.47   | 6.20            | -              | -              | 3.47             | 6.20            |
| Lumax Ituran Telematics Private Limited          | -  | -              | -  | -               | 10.42          | 0.89           | 10.42            | 0.89            |
| Alps Electric India Private Limited              | -  | -              | 33.01  | -               | -              | -              | 33.01            | -               |
| Lumax Industries Limited                         | -  | -              | 296.99   | 270.89          | -              | -              | 296.99           | 270.89          |
| <b>Total</b>                                     | -  | -              | <b>333.47</b>  | <b>277.08</b>   | <b>10.42</b>   | <b>0.89</b>    | <b>343.89</b>    | <b>277.97</b>   |
| <b>Rent Expense</b>                              |  |                |  |                 |                |                |                  |                 |
| Lumax Industries Limited                         | -  | -              | 6.27   | 22.14           | -              | -              | 6.27             | 22.14           |
| Mr D.K. Jain                                     | 32.16  | 31.61          | -  | -               | -              | -              | 32.16            | 31.61           |
| <b>Total</b>                                     | <b>32.16</b>   | <b>31.61</b>   | <b>6.27</b>  | <b>22.14</b>    | -              | -              | <b>38.43</b>     | <b>53.75</b>    |
| <b>Purchases of Raw Materials and Components</b> |  |                |  |                 |                |                |                  |                 |
| Bharat Enterprises                               | -  | -              | 510.83   | 230.80          | -              | -              | 510.83           | 230.80          |
| Lumax Industries Limited                         | -  | -              | 1,645.38   | 2,060.82        | -              | -              | 1,645.38         | 2,060.82        |
| Lumax Ancillary Limited                          | -  | -              | 8,142.59   | 6,496.13        | -              | -              | 8,142.59         | 6,496.13        |
| Mahavir Udyog                                    | -  | -              | 1.13   | 3.42            | -              | -              | 1.13             | 3.42            |
| Francisco Albero S.A.U                           | -  | -              | 138.79   | 152.25          | -              | -              | 138.79           | 152.25          |
| Bharat Enterprises                               | -  | -              | 2.34   | -               | -              | -              | 2.34             | -               |
| Mahavir Udyog                                    | -  | -              | 0.24   | -               | -              | -              | 0.24             | -               |
| Yokowo Co. Limited                               | -  | -              | 1.14   | -               | -              | -              | 1.14             | -               |
| Alps Electric India Private Limited              | -  | -              | 1,227.32   | -               | -              | -              | 1,227.32         | -               |
| Alps Alpine Co Limited                           | -  | -              | 216.68   | -               | -              | -              | 216.68           | -               |
| M&T Allied Technologies Co. Limited              | -  | -              | 195.56   | 205.84          | -              | -              | 195.56           | 205.84          |
| PT MTAT Indonesia                                | -  | -              | 113.95   | 65.68           | -              | -              | 113.95           | 65.68           |
| Mannoh Industrial Co. Limited                    | -  | -              | 6.83   | 11.02           | -              | -              | 6.83             | 11.02           |
| Jopp Automotive GMBH                             | -  | -              | 12.95  | -               | -              | -              | 12.95            | -               |
| Officine Metallurgiche G. Cornaglia SPA          | -  | -              | 114.15   | 306.03          | -              | -              | 114.15           | 306.03          |
| <b>Total</b>                                     | -  | -              | <b>12,329.88</b>   | <b>9,531.98</b> | -              | -              | <b>12,329.88</b> | <b>9,531.98</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

| Particulars                          | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021  | March 31, 2022 | March 31, 2021 | March 31, 2022   | March 31, 2021  |
| <b>Purchases of Finished Goods</b>   |  |                |  |                 |                |                |                  |                 |
| Lumax Industries Limited             | -  | -              | 9,12,714   | 6,416.23        | -              | -              | 9,12,714         | 6,416.23        |
| Alps Electric India Private Limited  | -  | -              | 108.50   | -               | -              | -              | 108.50           | -               |
| Lumax Ancillary Limited              | -  | -              | 1,619.70   | 1,374.94        | -              | -              | 1,619.70         | 1,374.94        |
| <b>Total</b>                         | -  | -              | <b>10,855.34</b>   | <b>7,791.17</b> | -              | -              | <b>10,855.34</b> | <b>7,791.17</b> |
| <b>Purchases of other</b>            |  |                |  |                 |                |                |                  |                 |
| Lumax Industries Limited             | -  | -              | 919  | 4.69            | -              | -              | 919              | 4.69            |
| Alps Electric India Private Limited  | -  | -              | 6.67   | -               | -              | -              | 6.67             | -               |
| Lumax Ancillary Limited              | -  | -              | 0.11   | 0.03            | -              | -              | 0.11             | 0.03            |
| <b>Total</b>                         | -  | -              | <b>15.97</b>   | <b>4.72</b>     | -              | -              | <b>15.97</b>     | <b>4.72</b>     |
| <b>Purchase of Capital Goods</b>     |  |                |  |                 |                |                |                  |                 |
| Alps Electric India Private Limited  | -  | -              | 181.60   | -               | -              | -              | 181.60           | -               |
| Cor-Filters                          | -  | -              | 91.75  | -               | -              | -              | 91.75            | -               |
| Francisco Albero S.A.U               | -  | -              | -  | 44.77           | -              | -              | -                | 44.77           |
| Lumax Industries Limited             | -  | -              | -  | 532.60          | -              | -              | -                | 532.60          |
| <b>Total</b>                         | -  | -              | <b>273.35</b>  | <b>577.37</b>   | -              | -              | <b>273.35</b>    | <b>577.37</b>   |
| <b>Purchase of Packing Material</b>  |  |                |  |                 |                |                |                  |                 |
| Lumax Industries Limited             | -  | -              | -  | 0.01            | -              | -              | -                | 0.01            |
| Mahavir Udyog                        | -  | -              | 5.18   | 1.29            | -              | -              | 5.18             | 1.29            |
| <b>Total</b>                         | -  | -              | <b>5.18</b>  | <b>1.30</b>     | -              | -              | <b>5.18</b>      | <b>1.30</b>     |
| <b>Other Reimbursement to/(from)</b> |  |                |  |                 |                |                |                  |                 |
| Bharat Enterprises                   | -  | -              | 0.21   | 0.06            | -              | -              | 0.21             | 0.06            |
| Lumax Industries Ltd.                | -  | -              | 133.10   | 239.17          | -              | -              | 133.10           | 239.17          |
| Lumax Ancillary Ltd.                 | -  | -              | 26.47  | 34.30           | -              | -              | 26.47            | 34.30           |
| Mahavir Udyog                        | -  | -              | -  | (2.97)          | -              | -              | -                | (2.97)          |
| Lumax Finance Pvt. Ltd.              | -  | -              | -  | 0.17            | -              | -              | -                | 0.17            |
| Lumax Charitable Foundation          | -  | -              | 5.00   | 2.09            | -              | -              | 5.00             | 2.09            |
| Lumax Tours & Travels Ltd.           | -  | -              | (4.26)   | (1.69)          | -              | -              | (4.26)           | (1.69)          |
| Mannoh Industrial Co. Ltd.           | -  | -              | 30.63  | 22.62           | -              | -              | 30.63            | 22.62           |
| Mahavir Udyog                        | -  | -              | -  | 0.21            | -              | -              | -                | 0.21            |
| Lumax Ituran Telematics Pvt. Ltd.    | -  | -              | -  | -               | 0.40           | 0.58           | 0.40             | 0.58            |
| <b>Total</b>                         | -  | -              | <b>191.15</b>  | <b>293.96</b>   | <b>0.40</b>    | <b>0.58</b>    | <b>191.55</b>    | <b>294.54</b>   |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

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

| Particulars                             | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| <b>CSR Expenditure</b>                  |  |                |  |                |                |                |                |                |
| Lumax Charitable Foundation             | -  | -              | 158.52   | 173.88         | -              | -              | 158.52         | 173.88         |
| <b>Total</b>                            | -  | -              | <b>158.52</b>  | <b>173.88</b>  | -              | -              | <b>158.52</b>  | <b>173.88</b>  |
| <b>Investment Made</b>                  |  |                |  |                |                |                |                |                |
| Lumax Ituran Telematics Private Limited | -  | -              | -  | -              | -              | 36.60          | -              | 36.60          |
| <b>Total</b>                            | -  | -              | -  | -              | -              | <b>36.60</b>   | -              | <b>36.60</b>   |
| <b>Royalty Expense</b>                  |  |                |  |                |                |                |                |                |
| Lumax Industries Limited                | -  | -              | 300.00   | 113.28         | -              | -              | 300.00         | 113.28         |
| Mannoh Industrial Co. Limited           | -  | -              | 202.29   | 131.92         | -              | -              | 202.29         | 131.92         |
| <b>Total</b>                            | -  | -              | <b>502.29</b>  | <b>245.20</b>  | -              | -              | <b>502.29</b>  | <b>245.20</b>  |
| <b>Interest Income</b>                  |  |                |  |                |                |                |                |                |
| Lumax Ituran Telematics Private Limited | -  | -              | -  | -              | 0.32           | -              | 0.32           | -              |
| <b>Total</b>                            | -  | -              | -  | -              | <b>0.32</b>    | -              | <b>0.32</b>    | -              |
| <b>Interest Expense</b>                 |  |                |  |                |                |                |                |                |
| Ituran Location & Controls Limited      | -  | -              | 0.28   | -              | -              | -              | 0.28           | -              |
| <b>Total</b>                            | -  | -              | <b>0.28</b>  | -              | -              | -              | <b>0.28</b>    | -              |
| <b>Loan Taken</b>                       |  |                |  |                |                |                |                |                |
| Ituran Location & Controls Limited      | -  | -              | 284.22   | -              | -              | -              | 284.22         | -              |
| <b>Total</b>                            | -  | -              | <b>284.22</b>  | -              | -              | -              | <b>284.22</b>  | -              |
| <b>Loan Given During the Year</b>       |  |                |  |                |                |                |                |                |
| Mr Vikas Marwah                         | 60.00  | -              | -  | -              | -              | -              | 60.00          | -              |
| <b>Total</b>                            | <b>60.00</b>   | -              | -  | -              | -              | -              | <b>60.00</b>   | -              |
| <b>Loan given Received back</b>         |  |                |  |                |                |                |                |                |
| Mr Vikas Marwah                         | 7.50   | -              | -  | -              | -              | -              | 7.50           | -              |
| <b>Total</b>                            | <b>7.50</b>  | -              | -  | -              | -              | -              | <b>7.50</b>    | -              |
| <b>Technical Fees</b>                   |  |                |  |                |                |                |                |                |
| Mannoh Industrial Co. Limited           | -  | -              | 15.23  | 65.00          | -              | -              | 15.23          | 65.00          |
| Officine Metallurgiche G. Cornaglia SPA | -  | -              | -  | 4.92           | -              | -              | -              | 4.92           |
| <b>Total</b>                            | -  | -              | <b>15.23</b>   | <b>69.92</b>   | -              | -              | <b>15.23</b>   | <b>69.92</b>   |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

| Particulars                    | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022  | March 31, 2021 |
| <b>Managerial Remuneration</b> |  |                |  |                |                |                |                 |                |
| Mr Anmol Jain                  | 140.65   | 79.93          | -  | -              | -              | -              | 140.65          | 79.93          |
| Mr D.K. Jain                   | 155.24   | 106.83         | -  | -              | -              | -              | 155.24          | 106.83         |
| Mr Deepak Jain                 | 15.48  | 7.74           | -  | -              | -              | -              | 15.48           | 7.74           |
| Mrs Shivani Jain               | 185.74   | 148.32         | -  | -              | -              | -              | 185.74          | 148.32         |
| Mrs Poysha Goyal Jain          | 185.74   | 148.32         | -  | -              | -              | -              | 185.74          | 148.32         |
| Mr Sanjay Mehta                | 151.02   | 115.52         | -  | -              | -              | -              | 151.02          | 115.52         |
| Mr Naval Khanna                | 91.43  | 69.74          | -  | -              | -              | -              | 91.43           | 69.74          |
| Mr Raajesh Kumar Gupta         | 55.19  | 8.05           | -  | -              | -              | -              | 55.19           | 8.05           |
| Mr Rishi Gupta                 | 7.56   | 6.33           | -  | -              | -              | -              | 7.56            | 6.33           |
| Mr Jai Kishan Taneja           | 41.58  | 33.59          | -  | -              | -              | -              | 41.58           | 33.59          |
| Mr Tomoki Mori                 | 70.47  | 89.72          | -  | -              | -              | -              | 70.47           | 89.72          |
| Mr Yogesh Jaitley              | 0.24   | -              | -  | -              | -              | -              | 0.24            | -              |
| Mr Manoj Kumar Gupta           | 0.07   | -              | -  | -              | -              | -              | 0.07            | -              |
| Mr Vikas Marwah                | 122.77   | 85.08          | -  | -              | -              | -              | 122.77          | 85.08          |
| Mr Ashish Dubey                | 71.11  | 55.77          | -  | -              | -              | -              | 71.11           | 55.77          |
| Mr Pawan Kumar                 | 7.92   | 1.75           | -  | -              | -              | -              | 7.92            | 1.75           |
| Mr Anil Tyagi                  | 19.92  | 15.48          | -  | -              | -              | -              | 19.92           | 15.48          |
| Mr Sukhvir Bhardwaj            | 1.08   | -              | -  | -              | -              | -              | 1.08            | -              |
| <b>Total</b>                   | <b>1,323.21</b>  | <b>972.17</b>  | -  | -              | -              | -              | <b>1,323.21</b> | <b>972.17</b>  |
| <b>Director Sitting Fees</b>   |  |                |  |                |                |                |                 |                |
| Mr Arun Kumar Malhotra         | 8.00   | 3.00           | -  | -              | -              | -              | 8.00            | 3.00           |
| Mr Avinash Parkash Gandhi      | 9.00   | 2.90           | -  | -              | -              | -              | 9.00            | 2.90           |
| Mr Kanchan Kumar Gandhi        | -  | 1.20           | -  | -              | -              | -              | -               | 1.20           |
| Mr Roop Salotra                | 9.60   | 3.90           | -  | -              | -              | -              | 9.60            | 3.90           |
| Mr Millap Jain                 | 7.60   | 2.80           | -  | -              | -              | -              | 7.60            | 2.80           |
| Mrs Diviya Chanana             | 3.20   | 1.60           | -  | -              | -              | -              | 3.20            | 1.60           |
| <b>Total</b>                   | <b>37.40</b>   | <b>15.40</b>   | -  | -              | -              | -              | <b>37.40</b>    | <b>15.40</b>   |

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

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

| Particulars                              | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021 | March 31, 2022 | March 31, 2021 |                 |
| <b>Director Commission</b>               |  |                |  |                |                |                |                 |
| Mr Anmol Jain                            | 198.28   | 129.46         | -  | -              | -              | -              | 198.28          |
| Mr D.K. Jain                             | 426.46   | 106.83         | -  | -              | -              | -              | 426.46          |
| Mr Deepak Jain                           | 87.94  | 56.77          | -  | -              | -              | -              | 87.94           |
| <b>Total</b>                             | <b>712.68</b>  | <b>293.06</b>  | -  | -              | -              | -              | <b>712.68</b>   |
| <b>Remuneration to Chairman Emeritus</b> |  |                |  |                |                |                |                 |
| Mr D.K. Jain - LMAT                      | 2.21   | -              | -  | -              | -              | -              | 2.21            |
| <b>Total</b>                             | <b>2.21</b>  | -              | -  | -              | -              | -              | <b>2.21</b>     |
| <b>Dividend Paid</b>                     |  |                |  |                |                |                |                 |
| Mr Anmol Jain                            | 387.54   | 92.03          | -  | -              | -              | -              | 387.54          |
| Mr Deepak Jain                           | 387.63   | 92.06          | -  | -              | -              | -              | 387.63          |
| D.K. Jain Family Trust                   | -  | -              | 6.12   | 1.89           | -              | -              | 6.12            |
| D.K. Jain & Sons (HUF)                   | -  | -              | -  | 54.92          | -              | -              | -               |
| Mr Sanjay Mehta                          | 0.05   | 0.05           | -  | -              | -              | -              | 0.05            |
| Mr Ashish Dubey                          | 0.01   | 0.01           | -  | -              | -              | -              | 0.01            |
| Lumax Finance Pvt. Ltd.                  | -  | -              | 363.34   | 112.03         | -              | -              | 363.34          |
| Mannoh Industrial Co. Ltd.               | -  | -              | 234.93   | 78.31          | -              | -              | 234.93          |
| <b>Total</b>                             | <b>775.23</b>  | <b>184.15</b>  | <b>604.39</b>  | <b>247.15</b>  | -              | -              | <b>1,379.62</b> |
| <b>Dividend Received</b>                 |  |                |  |                |                |                |                 |
| Lumax Industries Limited                 | -  | -              | 36.75  | 31.50          | -              | -              | 36.75           |
| <b>Total</b>                             | -  | -              | <b>36.75</b>   | <b>31.50</b>   | -              | -              | <b>36.75</b>    |
| <b>BALANCE AT THE YEAR END</b>           |  |                |  |                |                |                |                 |
| <b>Receivables</b>                       |  |                |  |                |                |                |                 |
| Mr Sanjay Mehta                          | -  | 3.50           | -  | -              | -              | -              | -               |
| Lumax Industries Limited                 | -  | -              | 4,207.18   | 2,783.39       | -              | -              | 4,207.18        |
| Lumax Ancillary Limited                  | -  | -              | -  | 0.87           | -              | -              | -               |
| Mannoh Industrial Co. Limited            | -  | -              | 39.45  | 37.24          | -              | -              | 39.45           |
| M&T Allied Technologies Co. Limited      | -  | -              | 0.19   | 1.62           | -              | -              | 0.19            |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

| Particulars                                     | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021  | March 31, 2022 | March 31, 2021 | March 31, 2022  | March 31, 2021  |
| PT MTAT Indonesia                               | -  | -              | 0.16   | -               | -              | -              | 0.16            | -               |
| Cor-Filters                                     | -  | -              | 16.39  | 70.21           | -              | -              | 16.39           | 70.21           |
| Officine Metallurgiche G. Cornaglia SPA (Italy) | -  | -              | -  | 4.90            | -              | -              | -               | 4.90            |
| Francisco Albero S.A.U                          | -  | -              | -  | 0.22            | -              | -              | -               | 0.22            |
| Alps Electric India Private Limited             | -  | -              | 1.53   | -               | -              | -              | 1.53            | -               |
| Yokowo Co. Limited                              | -  | -              | 0.50   | -               | -              | -              | 0.50            | -               |
| <b>Total</b>                                    | -  | <b>3.50</b>    | <b>4,265.40</b>  | <b>2,898.44</b> | -              | -              | <b>4,265.40</b> | <b>2,901.94</b> |
| <b>Other Financial Assets</b>                   |  |                |  |                 |                |                |                 |                 |
| Lumax Ituran Telematics Private Limited         | -  | -              | -  | -               | -              | 0.09           | -               | 0.09            |
| <b>Total</b>                                    | -  | -              | -  | -               | -              | <b>0.09</b>    | -               | <b>0.09</b>     |
| <b>Loan Receivable</b>                          |  |                |  |                 |                |                |                 |                 |
| Mr Vikas Marwah                                 | 52.50  | -              | -  | -               | -              | -              | 52.50           | -               |
| <b>Total</b>                                    | <b>52.50</b>   | -              | -  | -               | -              | -              | <b>52.50</b>    | -               |
| <b>Loan Payable</b>                             |  |                |  |                 |                |                |                 |                 |
| Ituran Location & Controls Limited              | -  | -              | 284.22   | -               | -              | -              | 284.22          | -               |
| <b>Total</b>                                    | -  | -              | <b>284.22</b>  | -               | -              | -              | <b>284.22</b>   | -               |
| <b>Investment</b>                               |  |                |  |                 |                |                |                 |                 |
| Lumax Industries Limited                        | -  | -              | 4,648.35   | 8,436.49        | -              | -              | 4,648.35        | 8,436.49        |
| Lumax Ancillary Limited                         | -  | -              | 653.11   | 459.52          | -              | -              | 653.11          | 459.52          |
| Sipal Engineering Private Limited               | -  | -              | -  | -               | -              | 71.91          | -               | 71.91           |
| Lumax Ituran Telematics Private Limited         | -  | -              | -  | -               | -              | 129.60         | -               | 129.60          |
| <b>Total</b>                                    | -  | -              | <b>5,301.46</b>  | <b>8,896.01</b> | -              | <b>201.51</b>  | <b>5,301.46</b> | <b>9,097.52</b> |
| <b>Payables</b>                                 |  |                |  |                 |                |                |                 |                 |
| Bharat Enterprises                              | -  | -              | 77.75  | 42.70           | -              | -              | 77.75           | 42.70           |
| Lumax Ancillary Limited                         | -  | -              | 913.14   | 1,039.75        | -              | -              | 913.14          | 1,039.75        |
| Lumax Industries Limited                        | -  | -              | 130.64   | 0.24            | -              | -              | 130.64          | 0.24            |
| Lumax Tours & Travels Limited                   | -  | -              | 12.53  | 3.11            | -              | -              | 12.53           | 3.11            |
| Mahavir Udyog                                   | -  | -              | 1.94   | 0.76            | -              | -              | 1.94            | 0.76            |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

| Particulars                             | 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, 2022   | March 31, 2021 | March 31, 2022   | March 31, 2021  | March 31, 2022 | March 31, 2021 | March 31, 2022  | March 31, 2021  |
|   | Ituran Location & Controls Limited                                 | -              | -  | 5.48            | -              | -              | -               | 5.48            |
| Officine Metallurgiche G. Cornaglia SPA | -  | -              | -  | 205.91          | -              | -              | -               | 205.91          |
| Cor-Filters                             | -  | -              | 15.14  | -               | -              | -              | 15.14           | -               |
| Yokowo Co. Limited                      | -  | -              | 78.80  | -               | -              | -              | 78.80           | -               |
| Mannoh Industrial Co. Limited           | -  | -              | 17.35  | 118.20          | -              | -              | 17.35           | 118.20          |
| M&T Allied Technologies Co. Limited     | -  | -              | 2.52   | 96.18           | -              | -              | 2.52            | 96.18           |
| PT MTAT Indonesia                       | -  | -              | 34.19  | 19.61           | -              | -              | 34.19           | 19.61           |
| Francisco Albero S.A.U                  | -  | -              | 49.70  | 85.57           | -              | -              | 49.70           | 85.57           |
| Alps Electric India Private Limited     | -  | -              | 474.50   | -               | -              | -              | 474.50          | -               |
| Alps Logistics India Private Limited    | -  | -              | 2.83   | -               | -              | -              | 2.83            | -               |
| Alps Logicom India Private Limited      | -  | -              | 1.70   | -               | -              | -              | 1.70            | -               |
| Alps Alpine Co Limited                  | -  | -              | 216.68   | -               | -              | -              | 216.68          | -               |
| <b>Total</b>                            | -  | -              | <b>2,034.89</b>  | <b>1,612.05</b> | -              | -              | <b>2,034.89</b> | <b>1,612.05</b> |
| <b>Other Financial Liabilities</b>      |  |                |  |                 |                |                |                 |                 |
| Mr Anmol Jain                           | 198.28   | 129.46         | -  | -               | -              | -              | 198.28          | 129.46          |
| Mr D.K. Jain                            | 426.46   | 106.83         | -  | -               | -              | -              | 426.46          | 106.83          |
| Mr Deepak Jain                          | 87.94  | 56.77          | -  | -               | -              | -              | 87.94           | 56.77           |
| Mr Naval Khanna                         | 8.49   | 4.12           | -  | -               | -              | -              | 8.49            | 4.12            |
| Mr Sanjay Mehta                         | 0.26   | 6.03           | -  | -               | -              | -              | 0.26            | 6.03            |
| <b>Total</b>                            | <b>721.43</b>  | <b>303.20</b>  | -  | -               | -              | -              | <b>721.43</b>   | <b>303.20</b>   |

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### 42. EVENT AFTER THE REPORTING DATE

- a) The Board of Directors of the Holding Company has proposed dividend @ 175% i.e. ₹ 3.5 per equity share of face value of ₹ 2 each (March 31, 2021 @ 150% i.e. ₹ 3 per equity share of face value of ₹ 2 each) which is subject to shareholder's approval in forthcoming annual general meeting.
- b) On May 03, 2022, the Holding Company has filed the Draft Scheme of merger with National Company Law Tribunal (NCLT) of its 100% subsidiary "Lumax Metallics Private Limited" with the Holding Company for efficient utilization & synergy of resources. The Appointed date of Merger will be April 01, 2022 subject to necessary regulatory approvals.

### 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 recognized in the financial statements:

#### a) Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an valuation of the terms and conditions of the arrangements, such as the lease term not constituting a substantial portion of the economic life of the commercial property, and that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

#### b) Assessment of lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

#### c) Revenue from contracts with customers

The Group applied the following judgments that significantly affect the determination of the amount and timing of revenue from contracts with customers:

- Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of products include a right of price revision on account of change of commodity prices/purchase price that give rise to variable consideration. In estimating the variable consideration, the Group is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

#### d) Consolidation of companies in which the Holding Company holds less than majority of the voting rights

In below mentioned companies, the Holding Company holds 50% of the voting rights, but considered the same as its subsidiary companies based on following:

Casting voting rights entitled to the Chairman appointed by the Holding Company, or

Based on entitlement to hold majority of board members on the board of the Company, or

By appointing Managing director representing the Holding Company having substantial powers of management.

1. Lumax Cornaglia Auto Technologies Private Limited
2. Lumax Yokowo Technologies Private Limited
3. Lumax Jopp Allied Technologies Private Limited
4. Lumax Alps Alpine India Private Limited
5. Lumax Ituran Telematics Private Limited

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)**

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

### **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.

#### **a) Property, plant and equipment**

The useful lives and residual values of property, plant and equipment are determined by the management based on technical assessment by the management. The Group believes that the derived useful life best represents the period over which the Group expects to use these assets.

#### **b) Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the longterm nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

#### **c) Gratuity benefit**

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions 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. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 39.

#### **d) Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### **e) Impairment of financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### **f) Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are also relevant to other intangibles. During the year the Group has done the impairment assessment of non-financial assets and have concluded that there is no impairment in value of non-financial assets as appearing in the financial statements.

### g) Lease incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore its incremental borrowing rate (IBR) to measure lease liability. The IBR is the rate of interest that the Group would have to pay to borrow over similar term, and with a similar security, the fund necessary to obtain an asset of a similar value to the right of use assets in as similar economic environments. The IBR therefore effects what the Group "would have to pay" which requires estimates when no observable rates are available or when they need to be adjusted to reflect the term and conditions of the lease. The Group estimates the IBR using observable inputs such as market interest rates when available.

## 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, 2022 and March 31, 2021.

|  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Total Borrowings including current maturities of long term borrowing and lease liabilities | 16,500.66               | 9,840.07                |
| Less: cash and cash equivalents  | (4,840.83)              | (1,665.77)              |
| <b>Net debts</b>   | <b>11,659.83</b>        | <b>8,174.30</b>         |
| <b>Capital components</b>  |                         |                         |
| Equity Share capital   | 1,363.15                | 1,363.15                |
| Other equity   | 53,029.32               | 51,708.74               |
| <b>Total equity</b>  | <b>54,392.47</b>        | <b>53,071.89</b>        |
| <b>Capital and net debt</b>  | <b>66,052.30</b>        | <b>61,246.19</b>        |
| <b>Gearing ratio (%)</b>   | <b>17.65%</b>           | <b>13.35%</b>           |

## 45. FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

### a) Fair value of financial assets:

|  | Carrying values            |                            | Fair values                |                            |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
|  | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 |
| <b>Financial assets measured at fair value</b>   |                            |                            |                            |                            |
| Investments in quoted equity instruments of other entities (valued at fair value through other comprehensive income)*  | 4,648.35                   | 8,436.49                   | 4,648.35                   | 8,436.49                   |
| Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income) | 653.11                     | 503.65                     | 653.11                     | 503.65                     |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

|  | Carrying values            |                            | Fair values                |                            |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
|  | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 |
| Short term investments (valued at fair value through Profit & loss)                                    | 6,897.44                   | 4,034.91                   | 6,897.44                   | 4,034.91                   |
| <b>Total</b>   | <b>12,198.90</b>           | <b>12,975.05</b>           | <b>12,198.90</b>           | <b>12,975.05</b>           |
| <b>Financial Instruments where carrying amounts that are reasonable approximations of fair values:</b> |                            |                            |                            |                            |
| Trade receivables  | 26,638.64                  | 22,298.19                  | 26,638.64                  | 22,298.19                  |
| Cash and cash equivalents  | 4,840.83                   | 1,665.77                   | 4,840.83                   | 1,665.77                   |
| Other Bank balances  | 8,998.86                   | 8,130.47                   | 8,998.86                   | 8,130.47                   |
| Loans  | 104.10                     | 69.16                      | 104.10                     | 69.16                      |
| Other financial assets   | 1,514.51                   | 1,881.94                   | 1,514.51                   | 1,881.94                   |
| <b>Total</b>   | <b>42,096.94</b>           | <b>34,045.53</b>           | <b>42,096.94</b>           | <b>34,045.53</b>           |

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

### b) Fair value of financial liabilities:

|   | Carrying values            |                            | Fair values                |                            |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
|   | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 |
| <b>Financial liabilities measured at amortized cost</b> |                            |                            |                            |                            |
| Borrowings non-current                                  | 1,022.89                   | 552.42                     | 1,022.89                   | 552.42                     |
| Borrowings current                                      | 10,877.95                  | 4,684.45                   | 10,877.95                  | 4,684.45                   |
| Non current lease liabilities                           | 3,311.18                   | 1,868.26                   | 3,311.18                   | 1,868.26                   |
| Current maturity of long term loans                     | 553.08                     | 2,000.58                   | 553.08                     | 2,000.58                   |
| Trade payables  | 23,102.09                  | 20,478.59                  | 23,102.09                  | 20,478.59                  |
| Other financial liabilities                             | 3,272.20                   | 3,256.12                   | 3,272.20                   | 3,256.12                   |
| Current lease liabilities                               | 735.56                     | 734.36                     | 735.56                     | 734.36                     |
| <b>Total</b>  | <b>42,874.95</b>           | <b>33,574.78</b>           | <b>42,874.95</b>           | <b>33,574.78</b>           |

### 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.

### 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

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

**(a) Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2022:**

|   | Total<br>(Carrying<br>Value) | Quoted<br>prices in<br>active markets<br>(Level 1) | Significant<br>observable<br>inputs<br>(Level 2) | Significant<br>unobservable<br>inputs<br>(Level 3) |
|---|------------------------------|--|--|--|
| <b>Assets measured at fair value</b>  |                              |  |  |  |
| <b>Quoted equity shares</b>   |                              |  |  |  |
| Long term Investments in equity instruments of other entities (at fair value through other comprehensive income "FVTOCI")       | 4,648.35                     | 4,648.35   | -  | -  |
| Short term Investments in equity instruments of other entities (at fair value through other comprehensive income "FVTPL")       | 11.41                        | 11.41  | -  | -  |
| <b>Unquoted equity shares</b>   |                              |  |  |  |
| Long term Investments in equity instruments of other entities (valued at fair value through other comprehensive income "FVTPL") | 653.11                       | -  | -  | 653.11   |
| <b>Other Investment</b>   |                              |  |  |  |
| Unquoted short term investments (at fair value through Profit & loss "FVTPL")   | 6,886.03                     | -  | -  | 6,886.03   |
| <b>Others</b>   |                              |  |  |  |
| Trade receivables   | 26,638.64                    | -  | -  | 26,638.64  |
| Cash and cash equivalents   | 4,840.83                     | -  | -  | 4,840.83   |
| Other Bank balances   | 8,998.86                     | -  | -  | 8,998.86   |
| Loans   | 104.10                       | -  | -  | 104.10   |
| Other financial assets  | 1,514.51                     | -  | -  | 1,514.51   |
| <b>Total</b>  | <b>54,295.84</b>             | <b>4,659.76</b>                                    | <b>-</b>   | <b>49,636.08</b>                                   |

**(b) Quantitative disclosures of fair value measurement hierarchy for liabilities as at March 31, 2022:**

|   | Total<br>(Carrying<br>Value) | Quoted<br>prices in<br>active markets<br>(Level 1) | Significant<br>observable<br>inputs<br>(Level 2) | Significant<br>unobservable<br>inputs<br>(Level 3) |
|---|------------------------------|--|--|--|
| <b>Liabilities measured at fair value</b> |                              |  |  |  |
| Borrowings non-current                    | 1,022.89                     | -  | -  | 1,022.89   |
| Borrowings current                        | 10,877.95                    | -  | -  | 10,877.95  |
| Non current lease liabilities             | 3,311.18                     | -  | -  | 3,311.18   |
| Current maturity of long term loans       | 553.08                       | -  | -  | 553.08   |
| Trade payables                            | 23,102.09                    | -  | -  | 23,102.09  |
| Other financial liabilities               | 3,272.20                     | -  | -  | 3,272.20   |
| Current lease liabilities                 | 735.56                       | -  | -  | 735.56   |
| <b>Total</b>                              | <b>42,874.95</b>             | <b>-</b>   | <b>-</b>   | <b>42,874.95</b>                                   |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

### (c) Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2021:

|   | Total<br>(Carrying<br>Value) | Quoted<br>prices in<br>active markets<br>(Level 1) | Significant<br>observable<br>inputs<br>(Level 2) | Significant<br>unobservable<br>inputs<br>(Level 3) |
|---|------------------------------|--|--|--|
| <b>Assets measured at fair value</b>  |                              |  |  |  |
| <b>Quoted equity shares</b>   |                              |  |  |  |
| Long term Investments in equity instruments of other entities (at fair value through other comprehensive income "FVTOCI")       | 8,436.49                     | 8,436.49   | -  | -  |
| Short term Investments in equity instruments of other entities (at fair value through other comprehensive income "FVTPL")       | 8.67                         | 8.67   | -  | -  |
| <b>Unquoted equity shares</b>   |                              |  |  |  |
| Long term Investments in equity instruments of other entities (valued at fair value through other comprehensive income "FVTPL") | 503.65                       | -  | -  | 503.65   |
| <b>Other Investment</b>   |                              |  |  |  |
| Unquoted short term investments (at fair value through Profit & loss "FVTPL")   | 4,026.24                     | -  | -  | 4,026.24   |
| <b>Others</b>   |                              |  |  |  |
| Trade receivables   | 22,298.19                    | -  | -  | 22,298.19  |
| Cash and cash equivalents   | 1,665.77                     | -  | -  | 1,665.77   |
| Other bank balance  | 8,130.47                     | -  | -  | 8,130.47   |
| Loans   | 69.16                        | -  | -  | 69.16  |
| Other financial assets  | 1,881.94                     | -  | -  | 1,881.94   |
| <b>Total</b>  | <b>47,020.58</b>             | <b>8,445.16</b>                                    | -  | <b>38,575.42</b>                                   |

### (d) Quantitative disclosures of fair value measurement hierarchy for liabilities as at March 31, 2021:

|   | Total<br>(Carrying<br>Value) | Quoted prices in<br>active markets<br>(Level 1) | Significant<br>observable<br>inputs<br>(Level 2) | Significant<br>unobservable<br>inputs<br>(Level 3) |
|---|------------------------------|---|--|--|
| <b>Liabilities measured at fair value</b> |                              |   |  |  |
| Borrowings non-current                    | 552.42                       | -   | -  | 552.42   |
| Borrowings current                        | 4,684.45                     | -   | -  | 4,684.45   |
| Non current lease liabilities             | 1,868.26                     | -   | -  | 1,868.26   |
| Current maturity of long term loans       | 2,000.58                     | -   | -  | 2,000.58   |
| Trade payables                            | 20,478.59                    | -   | -  | 20,478.59  |
| Other financial liabilities               | 3,256.12                     | -   | -  | 3,256.12   |
| Current lease liabilities                 | 734.36                       | -   | -  | 734.36   |
| <b>Total</b>                              | <b>33,574.78</b>             | -   | -  | <b>33,574.78</b>                                   |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

47.

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

(a) 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, 2022:

| S. No.   | Name of the Entity   | Net Assets, i.e., total assets minus total liabilities |                  | Share in Profit (net of tax) |                 | Share in other comprehensive income/(loss) (net of tax) |                   | Share in total comprehensive income net of tax (comprising net profit and other comprehensive income) |                 |
|----------|--|--|------------------|------------------------------|-----------------|---|-------------------|---|-----------------|
|          |  | As % of consolidated net assets                        | Amount           | As % of consolidated profit  | Amount          | As % of consolidated comprehensive income/ (loss)       | Amount            | As % of consolidated total comprehensive income   | Amount          |
| <b>1</b> | <b>Holding Company*</b>  |  |                  |                              |                 |   |                   |   |                 |
|          | Lumax Auto Technologies Limited  | 90.13%   | 49,021.31        | 71.61%                       | 5,862.62        | 10.19%  | (3,607.78)        | 48.79%  | 2,254.84        |
| <b>2</b> | <b>Subsidiaries*</b>   |  |                  |                              |                 |   |                   |   |                 |
|          | 1. Lumax Mannoh Allied Technologies Limited  | 11.68%   | 6,354.91         | 23.71%                       | 1,941.06        | -0.32%  | 11.55             | 42.25%  | 1,952.61        |
|          | 2. Lumax Integrated Ventures Private Limited   | 0.10%  | 52.89            | -0.30%                       | (24.57)         | 0.00%   | -                 | -0.53%  | (24.57)         |
|          | 3. Lumax Management Services Private Limited   | 11.53%   | 6,271.72         | 5.60%                        | 458.63          | -0.60%  | 21.27             | 10.38%  | 479.90          |
|          | 4. Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited) | 0.91%  | 497.57           | -4.71%                       | (385.30)        | 0.00%   | (0.03)            | -8.34%  | (385.33)        |
|          | 5. Lumax FAE Technologies Private Limited  | 0.80%  | 437.60           | -5.52%                       | (452.21)        | 0.00%   | -                 | -9.78%  | (452.21)        |
|          | 6. Lumax Jopp Allied Technologies Private Limited  | 0.66%  | 356.96           | -1.28%                       | (104.52)        | -0.07%  | 2.39              | -2.21%  | (102.13)        |
|          | 7. Lumax Cornaglia Auto Technologies Private Limited   | 8.41%  | 4,574.01         | 15.48%                       | 1,267.02        | -0.21%  | 7.31              | 27.57%  | 1,274.33        |
|          | 8. Lumax Yokowo Technologies Private Limited   | 0.78%  | 424.23           | -0.24%                       | (19.39)         | 0.00%   | -                 | -0.42%  | (19.39)         |
|          | 9. Lumax Ituran Telematics Private Limited   | 0.26%  | 139.60           | -0.48%                       | (39.35)         | 0.00%   | -                 | -0.85%  | (39.35)         |
|          | 10. Lumax Alps Alpine India Private Limited  | 2.18%  | 1,186.47         | -0.28%                       | (23.09)         | 0.01%   | (0.45)            | -0.51%  | (23.54)         |
| <b>3</b> | <b>Joint Ventures (Investment as per the equity method)</b>  |  |                  |                              |                 |   |                   |   |                 |
|          | Sipal Engineering Private Limited  | 0.00%  | -                | -0.25%                       | (20.74)         | 0.00%   | -                 | -0.45%  | (20.74)         |
|          | Lumax Ituran Telematics Private Limited  | 0.00%  | -                | -0.45%                       | (36.67)         | 0.00%   | -                 | -0.79%  | (36.67)         |
|          | Less : Intercompany Eliminations   | -27.44%  | (14,924.80)      | -2.87%                       | (236.11)        | 0.00%   | -                 | -5.11%  | (236.11)        |
|          | <b>Lumax Auto Technologies Limited (Consolidated)</b>  | <b>100.00%</b>   | <b>54,392.47</b> | <b>100.00%</b>               | <b>8,187.38</b> | <b>100.00%</b>  | <b>(3,565.74)</b> | <b>100.00%</b>  | <b>4,621.64</b> |

\* The above figures shown are before inter company eliminations/adjustments.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

(b) 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 Profit (net of tax) |                 | Share in other comprehensive income (net of tax) |                 | Share in total comprehensive income, net of tax (comprising net profit and other comprehensive income) |                 |
|----------|--|--|------------------|------------------------------|-----------------|--|-----------------|--|-----------------|
|          |  | As % of consolidated net assets                        | Amount           | As % of consolidated profit  | Amount          | As % of consolidated other comprehensive income  | Amount          | As % of consolidated total comprehensive income  | Amount          |
| <b>1</b> | <b>Holding Company *</b>   |  |                  |                              |                 |  |                 |  |                 |
|          | Lumax Auto Technologies Limited  | 91.97%   | 48,811.20        | 82.28%                       | 4,208.73        | 100.03%  | 3,854.32        | 89.90%   | 8,063.05        |
| <b>2</b> | <b>Subsidiaries *</b>  |  |                  |                              |                 |  |                 |  |                 |
|          | 1. Lumax Mannoh Allied Technologies Limited  | 9.28%  | 4,924.38         | 20.74%                       | 1,060.68        | -0.25%   | (9.56)          | 11.72%   | 1,051.12        |
|          | 2. Lumax Integrated Ventures Private Limited   | 0.15%  | 78.32            | -0.06%                       | (3.02)          | 0.00%  | -               | -0.03%   | (3.02)          |
|          | 3. Lumax Management Services Private Limited   | 10.91%   | 5,791.82         | 2.66%                        | 136.07          | 0.27%  | 10.35           | 1.63%  | 146.42          |
|          | 4. Lumax Metallics Private Limited (Formerly known as Lumax Gill Austem Auto Technologies Private Limited) | 1.66%  | 882.90           | -8.82%                       | (451.40)        | -0.01%   | (0.37)          | -5.04%   | (451.77)        |
|          | 5. Lumax FAE Technologies Private Limited  | 0.15%  | 81.81            | -5.78%                       | (295.43)        | 0.00%  | -               | -3.29%   | (295.43)        |
|          | 6. Lumax Jopp Allied Technologies Private Limited  | 0.49%  | 259.09           | -2.27%                       | (116.22)        | -0.05%   | (1.98)          | -1.32%   | (118.19)        |
|          | Adjustments related to above companies   | 0.00%  | -                | 0.00%                        | -               | 0.02%  | 0.89            | 0.00%  | -               |
|          | 7. Lumax Cornaglia Auto Technologies Private Limited   | 6.22%  | 3,299.68         | 12.84%                       | 656.72          | 0.01%  | 0.35            | 7.33%  | 657.07          |
|          | 8. Lumax Yokowo Technologies Private Limited   | 0.03%  | 14.62            | -0.12%                       | (6.38)          | 0.00%  | -               | -0.07%   | (6.38)          |
| <b>3</b> | <b>Joint Ventures (Investment as per the equity method)</b>  |  |                  |                              |                 |  |                 |  |                 |
|          | Sipal Engineering Private Limited  | 0.14%  | 76.26            | 0.48%                        | 24.49           | 0.00%  | -               | 0.27%  | 24.49           |
|          | Lumax Ituran Telematics Private Limited  | 0.05%  | 26.19            | -0.66%                       | (33.82)         | 0.00%  | -               | -0.38%   | (33.82)         |
|          | Less : Intercompany Eliminations   | -21.06%  | (11,174.38)      | -1.27%                       | (65.01)         | -0.02%   | (0.89)          | -0.72%   | (65.01)         |
|          | <b>Lumax Auto Technologies Limited (Consolidated)</b>  | <b>100.00%</b>   | <b>53,071.89</b> | <b>100.00%</b>               | <b>5,115.41</b> | <b>100.00%</b>                                   | <b>3,853.11</b> | <b>100.00%</b>   | <b>8,968.52</b> |

\* The above figures shown are before inter company eliminations/adjustments.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (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, 2022 and March 31, 2021.

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, 2022 and March 31, 2021 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<br>March 31, 2022 |            | As at<br>March 31, 2021 |            |
|----------------------|-------------------------|------------|-------------------------|------------|
|                      | Change +1%              | Change -1% | Change +1%              | Change -1% |
| Trade Payable        | (6.67)                  | 6.67       | (7.60)                  | 7.60       |
| Trade Receivable     | 2.39                    | (2.39)     | 2.93                    | (2.93)     |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (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 ₹ 4,648.35 Lakhs. A decrease of 10% on the NSE market index could have an impact of approximately ₹ 464.84 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, foreign exchange transactions and other financial instruments.

#### Trade receivables

Customer credit risk is managed by the 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).

### 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, 2022        | On Demand        | Less than 1 year | 1 to 5 years  | > 5 years    | Total            |
|-----------------------------|------------------|------------------|---------------|--------------|------------------|
| Borrowings                  | 10,877.95        | 553.08           | 994.47        | 28.42        | <b>12,453.92</b> |
| Trade and other payables    | -                | 23,102.09        | -             | -            | <b>23,102.09</b> |
| Other financial liabilities | -                | 3,272.20         | -             | -            | <b>3,272.20</b>  |
| <b>Total</b>                | <b>10,877.95</b> | <b>26,927.37</b> | <b>994.47</b> | <b>28.42</b> | <b>38,828.21</b> |

| 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        | -         | <b>7,237.45</b>  |
| Trade and other payables    | -               | 20,478.59        | -             | -         | <b>20,478.59</b> |
| Other financial liabilities | -               | 3,256.12         | -             | -         | <b>3,256.12</b>  |
| <b>Total</b>                | <b>4,684.45</b> | <b>25,735.29</b> | <b>552.42</b> | -         | <b>30,972.16</b> |

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

**49.** The management has analyzed 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, 2022.

**50.** Revenue from contracts with customers is measured by the Group at the transaction price i.e. amount of consideration received/ receivable in exchange of transferring goods or services to the customers. In determining the transaction price for the sale of goods, the Group considers the effect of price adjustments, to be claimed/ passed on to the customers, based on various cost parameters like raw material and other costs.

The Group is required to pass on the savings in variable cost from the billed sales price for which the final negotiations with the customer is ongoing and will be settled in near future. The total estimated liabilities outstanding as at March 31, 2022 is ₹ 3,064.67 Lakhs (March 31, 2021: ₹ 2,954.51 Lakhs), which management believes is sufficient to discharge liabilities.

**51.** During the year, the Holding Company has amended the joint venture agreement with one of the joint venture partner of "Lumax Imuran Telematics Private Limited (LITPL)", wherein the casting vote has been given to the Chairman of the LITPL appointed by the Holding Company. By virtue of this, the Holding Company has acquired management control of LITPL and therefore, LITPL has become subsidiary of the Holding Company w.e.f. January 01, 2022.

**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 during the year ended March 31, 2022 amounting ₹ 404.43 Lakhs (March 31, 2021: ₹ 324.82 Lakhs), and they are recognised in Employee benefits expense & other expenses.

### **53. OTHER STATUTORY INFORMATION**

- (i)** The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii)** The Group do not have transactions with struck off companies.
- (iii)** The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv)** The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v)** The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi)** The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (vii)** The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

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

**54.** The Group's business activity falls within a single business segment i.e. manufacturing and trading of Automotive Components and therefore, segment reporting in terms of Ind AS 108 on Segmental Reporting is not applicable.

**55.** Consequent to the uncertainties caused due to continuation of pandemic, the Group has prepared a cash flow projections and also assessed the recoverability of receivables, inventories, other financial & non-financial assets and factored assumptions used in annual impairment testing of fixed assets. On the basis of this evaluation and current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial & non financial assets. The situation is changing rapidly giving rise to inherent uncertainty around the extent and timing of the potential future spread of the COVID-19. However, the Group will continue to closely monitor any material changes to future economic conditions, required, if any.

As per our report of even date

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

Chartered Accountants

ICAI Firm Registration No.: 301003E/E300005

**per Amit Yadav**

Partner

Membership No. 501753

For and on behalf of the Board of Directors of

**Lumax Auto Technologies Limited**

**D.K. Jain**

Chairman

DIN: 00085848

**Anmol Jain**

Managing Director

DIN: 00004993

**Vikas Marwah**

Chief Executive Officer

**Ashish Dubey**

Chief Financial Officer

**Anil Tyagi**

Company Secretary

Membership No.: A16825

Place : Gurugram

Date : May 12, 2022

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

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

| Particulars                              | Name of the Subsidiaries |                        |                        |                        |                        |                        |                        |                        |                        |                         |
|--|--------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|
|  | 1<br>March 31,<br>2022   | 2<br>March 31,<br>2022 | 3<br>March 31,<br>2022 | 4<br>March 31,<br>2022 | 5<br>March 31,<br>2022 | 6<br>March 31,<br>2022 | 7<br>March 31,<br>2022 | 8<br>March 31,<br>2022 | 9<br>March 31,<br>2022 | 10<br>March 31,<br>2022 |
| A. Financial year ending on              |                          |                        |                        |                        |                        |                        |                        |                        |                        |                         |
| B. Equity Share capital                  | 348.05                   | 994.74                 | 85.40                  | 683.76                 | 112.50                 | 1,200.79               | 651.00                 | 450.00                 | 1,210.00               | 459.20                  |
| C. Other Equity                          | 6,006.86                 | (49,717)               | (32.37)                | 3,890.25               | 6,159.22               | (763.19)               | (294.03)               | (25.77)                | (23.52)                | (319.62)                |
| D. Total assets                          | 12,546.98                | 4,276.55               | 53.57                  | 7,888.85               | 7,324.67               | 2,649.48               | 438.35                 | 576.84                 | 2,487.92               | 860.32                  |
| E. Total Liabilities                     | 6,192.07                 | 3,778.98               | 0.54                   | 3,314.84               | 1,052.95               | 2,211.88               | 81.38                  | 152.61                 | 1,301.44               | 720.73                  |
| F. Investments                           | -                        | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                       |
| G. Revenue from Contracts with Customers | 20,127.64                | 3,934.26               | -                      | 9,938.93               | 2,959.23               | 248.26                 | 408.73                 | -                      | 954.12                 | 24.98                   |
| H. Profit before taxation                | 2,633.17                 | (385.30)               | (22.84)                | 1,704.39               | 602.43                 | (501.33)               | (103.35)               | (19.39)                | (30.74)                | (40.71)                 |
| I. Provision for taxation                | 692.11                   | -                      | -                      | 437.37                 | 143.80                 | (49.12)                | 1.18                   | -                      | (7.67)                 | (1.36)                  |
| J. Profit after taxation                 | 1,941.06                 | (385.30)               | (22.84)                | 1,267.02               | 458.63                 | (452.21)               | (104.53)               | (19.39)                | (23.07)                | (39.35)                 |
| K. Proposed Dividend                     | 730.91                   | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                      | -                       |
| L. % of shareholding                     | 55%                      | 100%                   | 100%                   | 50%                    | 100%                   | 84%                    | 50%                    | 50%                    | 50%                    | 50%                     |

\* Lumax Yokowo Technologies Private Limited is yet to commence operations.

### Notes :

- Lumax Energy Solutions Private Limited (subsidiary of Lumax Integrated Ventures Private Limited) is under the process of voluntary liquidation with the National Company Law Tribunal (NCLT).
- Velomax Mobility Private Limited (subsidiary of Lumax Integrated Ventures Private Limited) has been voluntarily Strike off during the year.
- Sipal Engineering Private Limited (associate of Lumax Integrated Ventures Private Limited) is under the process of voluntary liquidation with the NCLT.

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

**D.K. Jain**  
Chairman  
DIN: 000085848

**Vikas Marwah**  
Chief Executive Officer

Place : Gurugram  
Date : May 12, 2022

**Anmol Jain**  
Managing Director  
DIN: 00004993

**Ashish Dubey**  
Chief Financial Officer

**Anil Tyagi**  
Company Secretary  
Membership No.: AI6825