

## Annexure - B

### Corporate Governance Report

In terms of Regulation 34(3) read with Section C of Schedule V to Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company strongly believes that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and sustained long term value creation for all the stakeholders. The Company always endeavours to carry its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs.

The Company considers it absolutely essential to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country.

As a corporate citizen, our business fosters a culture of ethical behaviour and disclosures aimed at building trust of our stakeholders. Achieving good governance is an on-going process of the Company.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. It emphasizes wealth creation for society, protection & interest enhancement for all stakeholders, without compromising the environment and health of society at large. This helps the company to perform better thus culminating into higher productivity of the corporate resources.

The Corporate Governance philosophy of the Company is not only to adhere to the statutory requirements but also to enhance and retain investors' trust. The Company adheres to the highest ethical standards which are combined with an unwavering commitment to certain core values – transparency, fairness in all dealings, quality consciousness, customer satisfaction,

and ethical governance practices. All directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues.

The Company has complied with the requirements of Corporate Governance as stipulated under the Listing Regulations, as applicable.

#### 2. BOARD OF DIRECTORS

The Board of Directors ("Board") strongly believes that effective and good Corporate Governance practices build strong foundation of trust and confidence which in turn enhances the stakeholder' value.

The Company has established an internal governance structure with defined roles and responsibilities of every constituent within the system. The Board plays a critical role in overseeing how the management serves the short-term and long-term interests of shareholders and other stakeholders.

The responsibility of the management, good governance, general affairs direction and performance of the Company is entrusted with the Board. All statutory and other matters of significance including information as mentioned in the Part A of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") are complied with.

##### (a) Composition and Category of Directors:

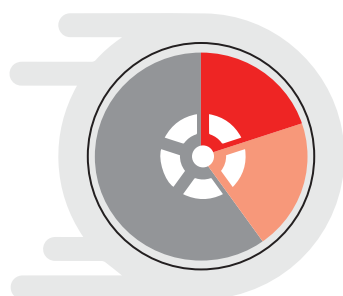
The Board has an optimum combination of Executive Directors, Non-Executive Directors and Independent Directors. The Board consisted of Ten (10) Directors. Out of these Ten (10) Directors, Two (2) Directors are Executive Director(s) including the Chairman, Two (2) Directors are Non- Executive Directors and Six (6) are Non-Executive Independent Director(s) including One (1) Woman Director. The Managing Director is assisted by Senior Managerial Personnel in overseeing the functional matters of the Company.

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Above information as on March 31, 2020 is presented as below:

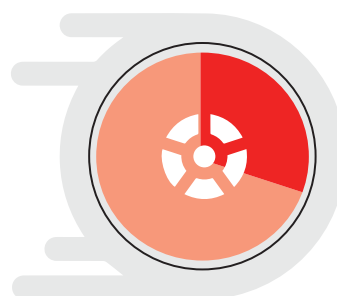
S. No.	Name of Director	Category
<b>A. Promoter</b>		
1	Mr. D.K. Jain	Executive Chairman
2	Mr. Anmol Jain	Managing Director
3	Mr. Deepak Jain	Non-Executive Director
<b>B. Non-Promoter</b>		
4	Mr. Sanjay Mehta	Non-Executive Director
5	Mr. Avinash Parkash Gandhi	Independent Director
6	Mr. Arun Kumar Malhotra	Independent Director
7	Mr. Kanchan Kumar Gandhi	Independent Director
8	Mr. Roop Salotra	Independent Director
9	Mr. Milap Jain	Independent Director
10	Mrs. Diviya Chanana	Independent Director

Category of Directors



Category of Directors	Share
● Non-Executive Directors	2
● Executive Directors	2
● Independent Directors	6

Category of Directors



Category of Directors	Share
● Promoters	3
● Non-Promoters	7

### (b) Attendance of Each Directors at Board Meetings & Last Annual General Meeting (AGM)

During the year the Financial Year 2019-20, the Board of Directors have met Six (6) times as tabulated below:

S. No.	Name of the Director	Board Meetings						AGM
		May 18, 2019	August 10, 2019	November 12, 2019	February 11, 2020	February 19, 2020	February 24, 2020	August 23, 2019
1	Mr. D.K. Jain	X	✓	✓	✓	✓	✓	✓
2	Mr. Anmol Jain	✓	✓	✓	✓	✓	✓	✓
3	Mr. Deepak Jain	✓	✓	✓	✓	✓	✓	✓
4	Mr. Sanjay Mehta	✓	✓	✓	✓	✓	✓	✓
5	Mr. Avinash Parkash Gandhi	✓	✓	✓	✓	✓	✓	✓
6	Mr. Arun Kumar Malhotra	✓	✓	✓	✓	✓	X	✓
7	Mr. Kanchan Kumar Gandhi	✓	✓	✓	✓	✓	✓	✓
8	Mr. Roop Salotra	✓	✓	✓	✓	✓	✓	X
9	Mr. Milap Jain	✓	✓	✓	✓	✓	✓	✓
10	Mrs. Diviya Chanana	✓	✓	✓	✓	✓	✓	X

✓ Present X Absent

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### (c) Selection and Scheduling of Agenda Items for Board Meetings

- i) The dates of Board Meeting are decided in advance for the next financial year and also published in the Annual Report for the information of the Shareholders.
- ii) Every year at least four Board Meetings are held to review the quarterly results and additional Board Meetings are held by whenever necessary.
- iii) The Company Secretary of the Company drafts and finalise the Agenda in consultation with the Chairman of the Company.
- iv) The information required to be placed before the Board includes :
  - General Notices of Interest of Directors.
  - Annual operating plans of business, Capital budgets and any updates.
  - Quarterly results for the Company and its operating divisions or business segments.
  - Dividend Declaration.
  - Minutes of Meetings of Audit Committee and other committees of the Board and resolutions passed by circulation.
  - The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
  - Show cause, demand, prosecution notices and penalty notices which are materially important.
  - Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
  - Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
  - Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.

- Internal Audit findings and Statutory Auditor Reports (through the Audit Committee).
- Details of any joint venture, acquisition of Companies or collaboration agreement, if any.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant Labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if Material.
- Non-compliance of any regulatory, statutory or listing requirements and Shareholders service such as non-payment of dividend, delay in share transfer (if any) etc.
- Brief on statutory developments, changes in Government policies etc. with impact thereof, Directors' responsibilities arising out of any such developments.

#### (i) Board Agenda

Detailed Agenda and notes on Agenda are provided to the Directors in the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the Meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are permitted.

#### (ii) Recording Minutes of proceedings at Board Meetings

The Company Secretary records the Minutes of the proceedings of each Board and Committee

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Meeting. Draft minutes are circulated to all the members of the Board / Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from conclusion of the Meeting.

### (iii) Post Meeting Follow-up Mechanism

The Guidelines for Board Meetings facilitate an effective post Meeting follow-up, review and reporting process for the decisions taken by the Board. The important decisions taken at the Board Meetings are communicated to the departments / divisions concerned promptly. Action taken report on the decisions/minutes of the previous Meeting(s) is placed at the immediately succeeding Meeting of the Board for noting by the Board.

### (iv) Role of the Company Secretary in Overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. He ensures that all relevant information, details and documents are made available to the Board and Senior Management for effective decision making. The Company Secretary while preparing the Agenda, Notes on Agenda, Minutes etc. of the Meeting(s), is responsible for and is required to ensure adherence to all the applicable laws and regulations including the Companies Act, 2013 read with the Rules framed there under and the Secretarial Standards recommended by The Institute of Company Secretaries of India.

### (d) Number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies for the year ending on March 31, 2020 (Including the Name of the Listed Entities and the Category of Directorship)

S. No.	Name of the Director	Directorships in other Public Companies*	Committee positions held in other Public Companies#		Name of the Listed Entity and Category of Directorship
			Chairman	Member	
1	Mr. D.K. Jain	2	-	-	-
2	Mr. Anmol Jain	2	-	-	• Lumax Industries Limited (Joint Managing Director)
3	Mr. Deepak Jain	5	-	2	• Lumax Industries Limited (Chairman & Managing Director) • RSWM Limited (Independent Director)
4	Mr. Sanjay Mehta	1	-	-	-
5	Mr. Avinash Parkash Gandhi <sup>\$</sup>	9	2	9	• Lumax Industries Limited (Independent Director) • Schaeffler India Limited (Independent Director) • Minda Corporation Limited (Independent Director) • Action Construction Equipment Limited (Independent Director)
6	Mr. Arun Kumar Malhotra	-	-	-	-
7	Mr. Kanchan Kumar Gandhi	-	-	-	-
8	Mr. Roop Salotra	2	-	-	-
9	Mr. Milap Jain	-	-	-	-
10	Mrs. Diviya Chanana	-	-	-	-

Note: <sup>\$</sup>Mr. Avinash Parkash Gandhi resigned from Hyundai Motor India Limited (HMIL) w.e.f. 01.04.2020.

\*Excludes Directorship in Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013.

#Chairmanships/Memberships of Committees are reported as prescribed under the Regulation 26 of the Listing Regulations.

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### (e) Number of Board Meetings held and the dates on which held

The Board of Directors met Six (6) times during the Financial Year ended March 31, 2020. The intervening period between two Board Meetings was within the maximum time gap of 120 days, as prescribed under Listing Regulations. The details of Board Meetings held during the year are as under:-

S. No.	Date of Board Meeting	Board's Strength	Number of Directors Present
1	May 18, 2019	10	9
2	August 10, 2019	10	10
3	November 12, 2019	10	10
4	February 11, 2020	10	10
5	February 19, 2020	10	10
6	February 24, 2020	10	9

### (f) Disclosure of relationships between Directors inter-se

S. No.	Name of the Directors	Relationship Inter-se
1	Mr. D.K. Jain	Related as Father to Mr. Deepak Jain and Mr. Anmol Jain
2	Mr. Anmol Jain	Related as Son to Mr. D.K. Jain and Brother to Mr. Deepak Jain
3	Mr. Deepak Jain	Related as Son to Mr. D.K. Jain and Brother to Mr. Anmol Jain
4	Mr. Sanjay Mehta	Not related to any Director
5	Mr. Avinash Parkash Gandhi	Not related to any Director
6	Mr. Arun Kumar Malhotra	Not related to any Director
7	Mr. Kanchan Kumar Gandhi	Not related to any Director
8	Mr. Roop Salotra	Not related to any Director
9	Mr. Milap Jain	Not related to any Director
10	Mrs. Diviya Chanana	Not related to any Director

### (g) Number of Shares and Convertible instruments held by Non-Executive Directors as on March 31, 2020

S. No.	Name of the Directors	Number of Shares
1	Mr. Deepak Jain	99,52,315
2	Mr. Sanjay Mehta	1,525

### (h) Separate Meeting of Independent Director

Provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of the Listing Regulations has mandated that the Independent Directors of the Company shall hold at least one meeting during the financial year without the attendance of Non- Independent Directors.

The Separate Meeting of the Independent Director was held on February 19, 2020 to discuss the performance of Non-Independent Directors and the Board as a whole, performance evaluation of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and the evaluation of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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### (i) Web link where details of Familiarisation Programmes imparted to Independent Directors is disclosed

In accordance with provisions of Regulation 25 of Listing Regulations, the Board has adopted a Familiarization Programme for Independent Directors to familiarize the Independent Directors of the Company with the organization.

In pursuit of this, the Board of Directors of the Company are updated on changes/ developments in the domestic/ global corporate and industry scenario including those pertaining to statutes/ legislations & economic environment and on matters affecting the Company, to enable them to take well informed and timely decisions.

Any Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Code of Conduct for Prevention of Insider Trading, Policy of the Company. The Independent Directors are also provided with regular updates on relevant statutory changes to ensure that they remain up to date on the Compliance framework.

The details of the Familiarisation Programme imparted to Independent Directors is also made available on the website of the Company at <http://www.lumaxworld.in/lumaxautotech/downloads/familiarisation-program.pdf>

### (j) Skills/ Expertise/ Competence of the Board

The Board comprises qualified members who brings in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board Members follows and committed that the Company is in compliance with the highest standards of the Corporate Governance.

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:

<b>Industry Knowledge</b>	Understanding of industry and organisations involved in design, development, manufacturing, marketing and selling of automobiles and auto components
<b>Finance &amp; Accounting</b>	Understanding of Financial Statements, transactions, financial reporting process and financial controls and management of assets and liabilities
<b>Understanding of Government legislation/ legislative process</b>	Awareness of general framework of principles within which the Government is expected to act and within which regulations are issued
<b>Corporate Laws and Governance</b>	Ability to understand and interpret the corporate laws, rules and regulations by which businesses are regulated and controlled
<b>Risk Management</b>	Ability to identify, evaluate and prioritize risks followed by coordinated and economical application of resources to minimize, monitor and control the probability or impact of unfortunate events or to maximize the realization of opportunities
<b>Sales and Marketing</b>	Building effective sales and marketing strategies to grow market share and experience of operations and activities in global front across various geographical markets and industry verticals
<b>Human Resource Management</b>	Understands and is familiar with human resource legislation and issues. Experience in the field of performance evaluation and skill set development (For Directors and Senior Management)
<b>Information Technology</b>	Management and strategy of the Information Technology function
<b>Strategy Development and Implementation</b>	Experience in developing corporate strategies for growth. Operates or has relevant industry experience in operating businesses
<b>Stakeholder Relationships</b>	Experience in building and nurturing relationships with key stakeholders viz. shareholders, customers, employees, bankers, government/ semi-government authorities and fulfilment of commitment towards them
<b>Production and Quality Assurance</b>	Familiar with products and services of the Company and understands quality issues of products/services

The Board has identified the names of Directors who possess the skills/ expertise/ competence as required in the context of the business(es) and sector(s) in which the Company perform its functions effectively in form of chart/ matrix:

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Matrix setting out the Skills/ Expertise/ Competence of the Board of Directors

Directors	Mr. D.K. Jain	Mr. Anmol Jain	Mr. Deepak Jain	Mr. Sanjay Mehta	Mr. Avinash Parkash Gandhi	Mr. Arun Kumar Malhotra	Mr. Kanchan Kumar Gandhi	Mr. Roop Salotra	Mr. Milap Jain	Mrs. Diviya Chanana
Industry Knowledge	✓	✓	✓	✓	✓	✓	✓	✓	X	✓
Finance & Accounting	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Understanding of Government legislation/ legislative process	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
Corporate Laws and Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓	X	X
Sales and Marketing	✓	✓	✓	✓	✓	✓	✓	✓	X	✓
Human Resource Management	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Information Technology	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategy Development and Implementation	✓	✓	✓	✓	✓	✓	✓	✓	X	X
Stakeholder Relationships	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
Production and Quality Assurance	✓	✓	✓	X	✓	✓	✓	X	X	✓
									Yes	✓
									No	X

### (k) Confirmation from the Board

Based on the declarations received from the Independent Directors, the Board hereby certify that the Independent Directors fulfil the conditions as specified in the Companies Act, 2013 and Listing Regulations.

### (l) Detailed reasons for Resignation of Independent Directors who resigns before the expiry of his tenure along with a confirmation by such Director

During the year under review, no Independent Director resigned before expiry of tenure.

## 3. COMMITTEES OF THE BOARD

The Board of Directors has constituted Four (4) Committees i.e. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Share Transfer/ Stakeholder Relationship Committee. Every Committee has an important role to play within terms of its reference. The Committee Meetings are duly convened and held as considered appropriate from time to time. The process and procedure related to the Board Meetings are also applicable and followed in the Committee Meetings. The Committees' Chairperson provides a brief committee update during the Board Meetings.

### A. Audit Committee

The Company has duly constituted Audit Committee as per Section 177 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, with the powers and roles in accordance with the prevailing regulatory requirements. The Committee acts as a link amongst the Management, Auditors and the Board of Directors. The Company Secretary of the Company acts as Secretary to the Audit Committee.

#### i) Brief Description of Terms of Reference

The Terms of reference of the Audit Committee includes matters specified in the Companies Act, 2013 and Listing Regulations and those specified by the Board in writing.

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The role of Audit Committee as mentioned in Part C of Schedule II of Listing Regulations is as follows:

- (i) to oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
- (ii) to recommend the appointment, remuneration and terms of appointment of Statutory Auditors;
- (iii) approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- (iv) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - matters required to be included in the Director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- (v) reviewing, with the management, the quarterly Financial Statements before submission to the Board for approval;
- (vi) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (vii) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) scrutiny of inter-corporate loans and investments;
- (x) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) evaluation of internal financial controls and risk management systems;
- (xii) reviewing, with the management, performance of Statutory and Internal auditors, adequacy of the internal control systems;
- (xiii) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of Internal Audit;
- (xiv) discussion with internal auditors of any significant findings and follow up there on;
- (xv) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xvii) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xviii) to review the functioning of the whistle blower mechanism;
- (xix) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;



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- (xx) carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (xxi) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

In addition, the Audit Committee shall mandatorily review the following information:

- (i) management discussion and analysis of financial condition and results of operations;
- (ii) statement of significant related party transactions (as defined by the audit committee) submitted by management;
- (iii) management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- (iv) internal audit reports relating to internal control weaknesses; and
- (v) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.
- (vi) statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).
- (vii) Any other matter with the specific permission of the Committee or referred by the Board.

### ii) Composition

The Audit Committee comprises of Four (4) Non-Executive Independent Directors and Managing Director. The Composition of the Audit Committee as on March 31, 2020 was as follows:

S. No.	Name	Status	Category of Membership
1	Mr. Arun Kumar Malhotra	Chairman	Non-Executive Independent Director
2	Mr. Roop Salotra	Member	Non-Executive Independent Director
3	Mr. Avinash Parkash Gandhi	Member	Non-Executive Independent Director
4	Mr. Milap Jain	Member	Non-Executive Independent Director
5	Mr. Anmol Jain	Member	Managing Director

### iii) Meetings and Attendance

During the Financial Year 2019-20, Seven (7) Audit Committee Meetings were held and the details of the Meetings are as follows:

S. No.	Name of the Director	Details of Audit Committee Meetings							Number of Meetings Attended
		May 18, 2019	August 10, 2019	October 22, 2019	November 12, 2019	February 11, 2020	February 19, 2020	February 24, 2020	
1	Mr. Arun Kumar Malhotra	✓	✓	✓	✓	✓	✓	x	6
2	Mr. Avinash Parkash Gandhi	✓	✓	✓	✓	✓	✓	✓	7
3	Mr. Anmol Jain	✓	✓	✓	✓	✓	✓	✓	7
4	Mr. Roop Salotra	✓	✓	✓	✓	✓	✓	✓	7
5	Mr. Milap Jain	✓	✓	✓	✓	✓	✓	✓	7

✓ Present X Absent

The meeting with Internal Auditors of the Company are held and the findings of internal audits are reported directly to the Audit Committee. The Statutory Auditors, Finance Head are invitees to the Audit Committee Meetings as and when required.

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### iv) Subsidiary Company

Lumax Mannoh Allied Technologies Limited (LMAT) is a material non-listed Subsidiary Company in terms of Regulation 16(1)(c) of Listing Regulations. Further, as per Regulation 24 of the Listing Regulations, Mr. Avinash Parkash Gandhi and Mr. Roop Salotra, Directors of the Company are also on the Board of LMAT.

The Company monitors performance of LMAT, inter alia, by the following means:

- Financial Statements, in particular the investments made by LMAT are reviewed quarterly by the Audit Committee of the Company.
- Minutes of the Meetings of the Board of Directors of LMAT are placed before the Company's Board regularly.
- A statement containing all the significant transactions and arrangements entered into by the LMAT is placed before the Company's Board / Audit Committee.

The Company has formulated a policy for determining 'Material' subsidiaries and such policy has been disclosed on the Company's website [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and the web link of the same is <https://www.lumaxworld.in/lumaxautotech/downloads/Material%20Subsidiary%20Policy-%20LATL.pdf>

### B. Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee constituted pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

#### i) Brief Description of Terms of Reference

The brief description of the terms of reference of the Committee are given below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- Any other matters as may be prescribed by Board from time to time.

#### ii) Composition, Name of Members and Chairperson

The Nomination and Remuneration Committee (NRC) comprises of Four (4) Members, all being Non- Executive Directors and half of them are Independent Directors. The Chairman of the Committee is a Non- Executive Independent Director.

The Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The Composition of the Nomination and Remuneration Committee Meeting during the Financial Year 2019-20 is as under:

S. No.	Name	Status	Category of Membership
1	Mr. Milap Jain	Chairman	Non-Executive Independent Director
2	Mr. Roop Salotra	Member	Non-Executive Independent Director
3	Mr. Deepak Jain	Member	Non-Executive Director
4	Mr. Sanjay Mehta	Member	Non-Executive Director

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### iii) Meetings and Attendance

During the Financial Year under review, the Committee has met Three (3) times and the Attendance Record of Directors of the Committee for the Financial Year are tabulated below:

S. No.	Name of the Directors	Details of Nomination and Remuneration Committee Meetings			Number of Meetings Attended
		May 18, 2019	August 10, 2019	February 11, 2020	
1	Mr. Milap Jain	✓	✓	✓	3
2	Mr. Roop Salotra	✓	✓	✓	3
3	Mr. Deepak Jain	✓	✓	✓	3
4	Mr. Sanjay Mehta	✓	✓	✓	3

✓ Present X Absent

The Company Secretary of the Company acts as Secretary to the Committee.

### iv) Performance Evaluation Criteria for Independent Directors

Pursuant to the applicable provisions of the Companies Act, 2013 and Listing Regulations, the Board in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of the Board, Individual Directors including Managing Director, Non- Executive Directors and Chairman of the Board.

Performance Evaluation of Independent Directors, Board of Directors, Committees of the Board, Individual Directors including Managing Director, Non-Executive Directors and Chairman of the Board shall be done on annual basis. The evaluation is performed by the Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The Directors were requested to give the following ratings for each criteria:

1. Could do more to meet expectations;
2. Meets expectations; and
3. Exceeds expectations.

## C. Share Transfer/Stakeholders Relationship Committee

In line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations, the Company has constituted a Share Transfer/Stakeholder Relationship Committee to oversee Investors grievances and redressal mechanism and recommends measures to improve the level of Investors' services and to look into and decide matters pertaining to share transfers, duplicate share certificates and related matters.

### i. Composition:

The Composition of Share Transfer/ Stakeholder Relationship Committee during the Financial Year 2019-20 is as under:

S. No.	Name of Directors	Status	Category of Membership
1	Mr. Deepak Jain	Chairman	Non-Executive Director
2	Mr. D.K. Jain	Member	Executive Chairman
3	Mr. Arun Kumar Malhotra	Member	Non-Executive Independent Director
4	Mr. Kanchan Kumar Gandhi	Member	Non-Executive Independent Director

### ii. Name of Non-Executive Director heading the Committee:

The Committee is headed by Mr. Deepak Jain being the Non- Executive Director.

## Annexure - B (Contd.)

### iii. Name and Designation of Compliance Officer:

Mr. Anil Tyagi, Company Secretary was appointed as the Compliance Officer of the Company w.e.f. May 18, 2019. He acts as Secretary to the said Committee.

### iv. Terms of Reference

The terms of reference of Share Transfer/Shareholder Relationship Committee are as follows:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared Dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed Dividends and ensuring timely receipt of Dividend warrants/annual reports/statutory notices by the Shareholders of the Company.

### v. SEBI Complaints Redress System (SCORES)

The Investors can also raise complaints in a centralized web based complaints redress system called "Scores". The Company uploads the action taken report on the complaints raised by the Shareholders on "Scores", which can be viewed by the Shareholder. The complaints are closed to the satisfaction of the shareholders and SEBI.

### vi. Status of Investor Complaints received, pending and resolved during the Financial Year 2019-20

S. No.	Particulars	Status
1	Number of Complaints Received	5
2	Number of Complaints Resolved	5
3	Number of Complaints Pending	0

### vii. Meetings and Attendance

During the Financial Year under review, the Committee has met Four (4) times and the details of meetings held and attendances of Directors in those meetings are tabulated as follows:

S. No.	Name of the Directors	Details of Share Transfer/Stakeholders Relationship Committee				Number of Meetings Attended
		May 18, 2019	August 10, 2019	November 12, 2019	February 11, 2020	
1	Mr. Deepak Jain	✓	✓	✓	✓	4
2	Mr. D.K. Jain	x	✓	✓	✓	3
3	Mr. Arun Kumar Malhotra	✓	✓	✓	✓	4
4	Mr. Kanchan Kumar Gandhi	✓	✓	✓	✓	4

✓ Present X Absent

## D. Corporate Social Responsibility Committee (CSR)

The CSR Committee of the Board has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Committee shall:

- (i) formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act.
- (ii) to recommend the amount of expenditure to be incurred on such activities.
- (iii) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

## Annexure - B (Contd.)

### i. Composition

The Committee comprises of Three (3) Directors including One Independent Directors which is as follows:

S. No.	Name of Directors	Status	Category of Membership
1	Mr. Roop Salotra	Chairman	Non-Executive Independent Director
2	Mr. D.K. Jain	Member	Executive Chairman
3	Mr. Deepak Jain	Member	Non-Executive Director

### ii. Meetings and Attendance

During the Financial Year 2019-20, One (1) Corporate Social Responsibility Committee Meeting was held on the following date:

S. No.	Name of the Directors	Details of Corporate Social Responsibility Committee Meetings	Number of Meetings Attended
		May 18, 2019	
1	Mr. Roop Salotra	✓	1
2	Mr. D.K. Jain	x	0
3	Mr. Deepak Jain	✓	1

✓ Present X Absent

## 4. REMUNERATION OF DIRECTORS

### A. All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:

The Company did not have any pecuniary relationship or transactions with the Non-Executive Directors and Independent Directors during the Financial Year 2019-20 except for the Commission and Sitting Fees payable to them respectively as approved by the Board of Directors from time to time.

### B. Criteria of making payments to Non-Executive Directors:

The Criteria of making payments to Non-Executive Directors has been given on the Company's Website i.e. [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech).

While deciding the payments to be made to Non-Executive Directors various factors such as Director's participation in Board and Committee meeting during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, etc. were taken into consideration.

The Quantum of the said Commission will be apportioned amongst the Non- Executive Director(s) commensurate with their respective performance, which will be adjudged by the Remuneration Committee and Board of Directors.

The Non-Executive Directors are entitled to sitting fees for attending meetings of the Board or Committees thereof as may be decided by the Board from time to time. Provided that the amount of such fees shall not exceed ₹ 1 Lakh per Meeting of the Board or Committee.

Apart from sitting fees and commission referred to above and reimbursement of traveling expenses for attending the Board and Committee meetings, no payment by way of bonus, pension, incentives etc. is paid to any of the Non- Executive Directors.

### C. Details of Remuneration to Directors:

#### 1. Remuneration paid to Executive Directors for the Financial Year 2019-20:

(₹ in Lakhs)						
S. No.	Name of the Directors	Designation	Salary	Perquisites & Allowances	Commission	Total
1	Mr. D.K. Jain	Executive Chairman	120.00	46.12	72.15	238.27
2	Mr. Anmol Jain	Managing Director	120.00	32.70	110.02	262.72

## Annexure - B (Contd.)

### 2. Remuneration paid to Non – Executive Directors for the Financial Year 2019-20:

(₹ in Lakhs)

S. No.	Name of the Directors	Designation	Commission	Sitting Fees
1	Mr. Deepak Jain	Non – Executive Director	59.73	-
2	Mr. Sanjay Mehta	Non – Executive Director	-	-
3	Mr. Avinash Parkash Gandhi	Non – Executive Independent Director	-	4.20
4	Mr. Arun Kumar Malhotra	Non – Executive Independent Director	-	3.60
5	Mr. Roop Salotra	Non – Executive Independent Director	-	5.00
6	Mr. Kanchan Kumar Gandhi	Non – Executive Independent Director	-	2.80
7	Mr. Milap Jain	Non – Executive Independent Director	-	4.80
8	Mrs. Diviya Chanana	Non – Executive Independent Director	-	2.80

#### D. Service Contracts, Notice Periods, Severance Fees

The service contracts, notice period and severance fees are not applicable to Executive Directors, Non-Executive or Independent Directors. The term and tenure of appointment of all the Directors are governed through Board Resolutions which are subject to Shareholders Approval in the Annual General Meetings of the Company.

#### E. Stock Options Details, if any:

No Stock Options have been granted to any Directors during the Financial Year 2019-20.

#### F. There are no Security/Instruments of the Company pending for conversion into Equity Shares.

### 5. GENERAL BODY MEETINGS

#### A. The details of Annual General Meeting (AGMs) held in the last three years are as follows:

Financial Year	Date	Time	Location
2016-17	August 18, 2017	03:00 P.M.	Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune – 411 018, Maharashtra
2017-18	August 21, 2018	03:00 P.M.	Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune – 411 018, Maharashtra
2018-19	August 23, 2019	03:00 P.M.	Air Force Auditorium, Subroto Park, New Delhi-110010

#### B. Details of Special Resolutions passed in previous three Annual General Meetings (AGM):

##### I. AGM held on August 18, 2017

- There is no any Special Resolution proposed and passed in this AGM.

##### II. AGM held on August 21, 2018

- Re-appointment of Mr. D.K. Jain as an Executive Chairman of the Company for a period of 5 years.

##### III. AGM held on August 23, 2019

- No Special Resolution was passed.

## Annexure - B (Contd.)

### C. Special Resolution passed last year through Postal Ballot:

The details of Special Resolution passed last year through Postal Ballot:

I. Date of Notice of Postal Ballot: May 18, 2019

Voting Period: July 22, 2019 to August 20, 2019

Date of Approval: August 20, 2019

Date of Declaration of Results: August 21, 2019

#### Item No. 1: Re-appointment of Mr. Roop Salotra as Independent Director of the Company for a period of five years.

Number of Votes Polled	Number of Votes in favour	Number of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
51077575	50746297	331278	99.351	0.649

#### Item No. 2: Re-appointment of Mr. Milap Jain as Independent Director of the Company for a period of five years.

Number of Votes Polled	Number of Votes in favour	Number of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
51077575	51077533	42	99.999	0.001

#### Item No. 3: Continuation of directorship of Mr. Avinash Parkash Gandhi (Non-Executive Independent Director) for the Present Term.

Number of Votes Polled	Number of Votes in favour	Number of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
51077575	51077550	25	99.999	0.001

#### Item No. 4: Ratification/Approval of Remuneration being paid to Mr. Deepak Jain, Non-Executive Director\*.

Number of Votes Polled	Number of Votes in favour	Number of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
12992348	12661087	331261	97.450	2.550

\*The promoters being interested in the resolution, the voting by the Promoters were not considered.

II. Date of Notice of Postal Ballot: November 12, 2019

Voting Period: February 24, 2020 to March 24, 2020

Date of Approval: March 24, 2020

Date of Declaration of Results: March 25, 2020

#### Item No. 1: Approval of Material Related Party Transactions with Lumax Industries Limited\*

Number of Votes Polled	Number of Votes in favour	Number of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
12958006	12958006	-	100.00	-

\*The promoters being interested in the resolution, the voting by the Promoters were not considered.

### D. Person who conducted both the Postal Ballot exercises:

Mr. Maneesh Gupta, Practicing Company Secretary, (FCS No. 4982 & C.P. No. 2945) was appointed as the Scrutinizer for conducting the Postal Ballot/ remote e-voting process in accordance with the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 made thereunder in a fair and transparent manner.

### E. Special Resolution proposed to be conducted through Postal Ballot:

There are no Special Resolutions proposed to be conducted through Postal Ballot.

## Annexure - B (Contd.)

### F. Procedure of Postal Ballot:

In Compliance with the provisions of Section 110 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 made thereunder, the Company has completed the dispatch of Postal Ballot Notice along with the Postal Ballot Forms and self-addressed postage pre-paid Business Reply Envelopes to the Shareholders. The Company also published a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable rules.

The Company also provided the facility of remote e-voting to the Shareholders to cast their votes electronically, in accordance with Section 108 of the Act and Rule 20 of the Rules, and Regulation 44 of the Listing Regulations. The Company engaged the services of KFin Technologies Private Limited for the purpose of providing remote e-voting facility. The Shareholders had the option to vote either by physical ballot or e-voting.

The Scrutinizer submitted his report to the Chairman of the Company after completion of the scrutiny, and the results of the voting by means of Postal Ballot (including voting through electronic means) were announced at the Registered Office of the Company. The said results of postal ballot/ e-voting was published in the newspapers within 48 hours of the declaration and was also placed on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech), besides being communicated to Stock Exchanges, Depository and its Registrar and Share Transfer Agent.

For further details on the above the Shareholders may visit <http://www.lumaxworld.in/lumaxautotech/postal-ballot.html>.

### 8. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board Members and Senior Employees of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct on annual basis. The Annual Report contains a declaration to this effect signed by the Chief Executive Officer of the Company. The Code of Conduct is also available on the website of Company under the web link <https://www.lumaxworld.in/lumaxautotech/corporate-governance.html>.

### 9. MEANS OF COMMUNICATION

#### A. Quarterly Results

- Results: The Quarterly/ Half Yearly / Yearly Results of the Company are published in leading and widely circulated English dailies viz. (1) The Financial Express - All Editions (English) (2) Jansatta – New Delhi Edition (Hindi).
- Website: The Company's results are displayed on the Company's website at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and the websites of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

#### B. Investor Presentations / Press Releases

Detailed presentations are made to the investors of Company and the same is hosted on the Company's website at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) and are disseminated on the Stock Exchanges where Company's equity is listed.

#### C. Official News Releases/ Conference Calls

All official news releases, invitations and transcript of the Analyst/ Investor conference call is posted on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) under Investors Tab.

#### D. Website

The Company's website is a comprehensive reference on Lumax's Management, Vision, Mission, Policies, Corporate Governance, updates and news.

#### E. Stock Exchange

The Company makes timely disclosure of necessary information to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in terms of the Listing Regulations and other rules and regulations issued by the SEBI.



## Annexure - B (Contd.)

### BSE Corporate Compliance & Listing Centre (the Listing Centre)

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

### NSE Electronic Application System (NEAPS)

The NEAPS is a web based application designed by NSE for corporates. All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Media Releases, among others are filed electronically on NEAPS.

### F. Reminders/Correspondences with Investors

The periodical reminders to Shareholders regarding unclaimed shares/dividend, e-mail registrations, Notice of General Meetings or any other information required to be disseminated under applicable Statutes is regularly communicated and dispatched.

## 10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT FORMS PART OF THE DIRECTORS REPORT

## 11. GENERAL SHAREHOLDERS INFORMATION

<b>A. Annual General Meeting</b>	: The 39 <sup>th</sup> Annual General Meeting is scheduled as under Day : Friday Date : August 28, 2020 Time : 03:00 P.M. Venue/ Mode: The Company is conducting meeting through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') pursuant to the MCA Circulars. For details please refer to the Notice of AGM.
<b>B. Date of Book Closure</b>	: Friday, August 21, 2020 to Friday, August 28, 2020
<b>C. Registered Office*</b>	: Lumax Auto Technologies Limited 2 <sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046

*\*The Registered Office of the Company has been changed from Pune (Maharashtra) to New Delhi w.e.f. May 8, 2019.*

<b>D. Financial Year</b>	: April 01 to March 31
--------------------------	------------------------

### E. For the Financial Year 2019-20 results were announced on:

Adoption of Quarterly Results Ended	Date
June 30, 2019	August 10, 2019
September 30, 2019	November 12, 2019
December 31, 2019	February 11, 2020
March 31, 2020 (Audited Annual Accounts)*	June 17, 2020

*\*Board Meeting held as per relaxation given by SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated March 19, 2020*

### F. Provisional Calendar for Financial Year 2020-21

Adoption of Quarterly Results Ended	Tentative Calendar*
June 30, 2020	On or before August 14, 2020
September 30, 2020	On or before November 14, 2020
December 31, 2020	On or before February 14, 2021
March 31, 2021 (Audited Annual Accounts)	On or before May 30, 2021

*\*Within 45/60 days of the end of the Quarter/year, as per the Listing Regulations.*

## Annexure - B (Contd.)

### G. Dividend & Dividend Payment Date

A Final Dividend @150% which is ₹ 3/- per equity share of ₹ 2/- has been recommended by the Board in their Meeting held on June 17, 2020 for the Financial Year 2019-20 (including an Interim Dividend @100% which is ₹ 2/- per equity share of ₹ 2/- each, declared by the Board in their meeting held on February 19, 2020), which is subject to the approval of the Shareholders at the ensuing Annual General Meeting.

For Demat Shareholders and Physical Shareholders who have opted for NECS/ ECS, Dividend Amount of Re. 1/- per share will be credited directly to their respective bank accounts through NECS/ ECS, wherever such facilities are available, soon after the declaration of dividend in the AGM. For others, Dividend Warrants/Demand Drafts will be posted on or before September 14, 2020 (tentative).

### H. Name and Address of Stock Exchange where Company's Equity are listed:

Stock Exchange	Scrip Code
<b>BSE Limited (BSE)</b> Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	532796
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	LUMAXTECH

The ISIN of the Company is INE872H01027.

### I. Listing Fees

The Listing Fees for the Financial Year 2019-20 has been paid to both BSE Limited and National Stock Exchange of India Limited within the prescribed time limits.

### J. Market price data – High and Low during each month in last Financial Year :

The monthly High and Low Prices of the Shares of the Company Listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

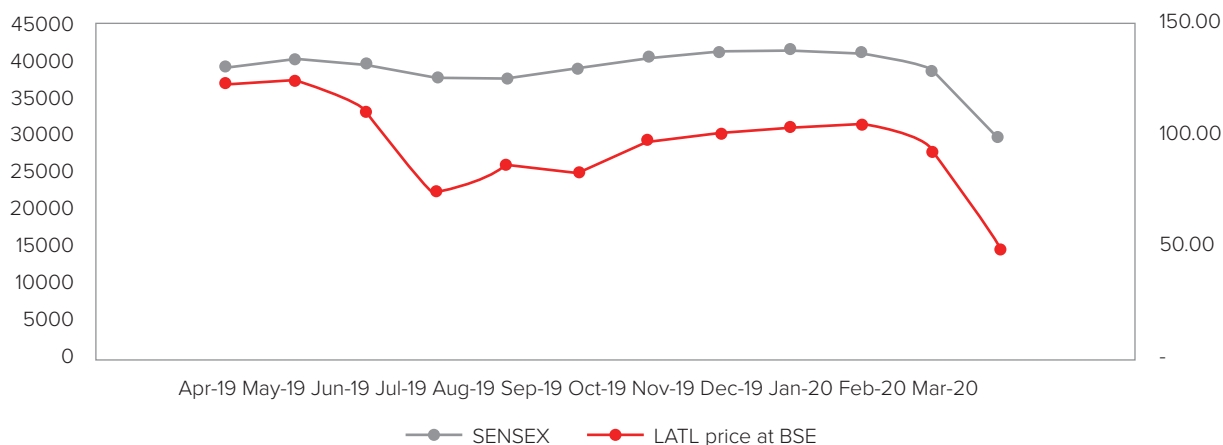
Month	BSE		NSE	
	Share Price		Share Price	
	High	Low	High	Low
	(₹)	(₹)	(₹)	(₹)
April 2019	143.40	122.45	144.60	122.50
May 2019	128.70	103.75	130.00	103.30
June 2019	128.05	106.55	126.00	107.50
July 2019	114.00	73.00	114.40	72.80
August 2019	93.50	72.70	94.00	72.05
September 2019	96.50	80.50	98.85	80.00
October 2019	101.00	80.10	101.40	80.70
November 2019	105.65	94.85	106.35	94.70
December 2019	111.00	90.80	109.50	91.35
January 2020	121.80	97.70	122.00	96.95
February 2020	116.30	91.90	118.10	91.50
March 2020	100.05	48.00	100.00	47.90

## Annexure - B (Contd.)

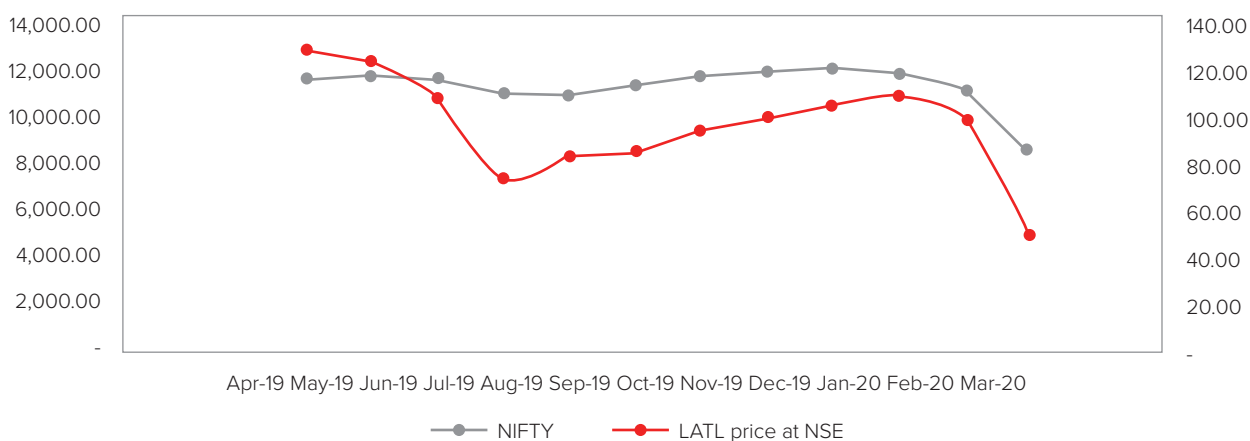
K. The details of the Stock Performance vis – a – vis S&P CNX Nifty in graphical manner and Monthly Closing Share Price on BSE & NSE from April 2019 to March 2020 is given below:

MONTH	LATL price at BSE	SENSEX	LATL price at NSE	NIFTY
April 2019	122.60	39031.55	130.25	11748.15
May 2019	123.75	39714.20	125.00	11922.80
June 2019	109.15	39394.64	108.75	11788.85
July 2019	74.75	37481.12	74.00	11118.00
August 2019	85.90	37332.79	83.25	11023.25
September 2019	82.85	38667.33	86.10	11474.45
October 2019	96.45	40129.05	94.65	11877.45
November 2019	100.15	40793.81	100.85	12056.05
December 2019	102.55	41253.74	105.55	12168.45
January 2020	104.75	40723.49	110.75	11962.10
February 2020	92.25	38297.29	99.45	11201.75
March 2020	49.90	29468.49	50.05	8597.75

**LATL Price at BSE and Sensex Movement**



**LATL Price at NSE and NIFTY Movement**



## Annexure - B (Contd.)

**L. In case the securities are suspended from trading, the Boards' Report shall explain the reason thereof:**

The trading in the equity shares of the Company was never suspended.

**M. Registrars and Share Transfer Agent** (For Physical as well as for Demat Segment)

Address	Bigshare Services Private Limited 1st Floor, Bharat Tin works building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai -400059.
Tel	+91-22-62638200
Fax	+91-22-62638299
Email	vinod.y@bigshareonline.com
Website	www.bigshareonline.com

**N. Share Transfer System**

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent. The Company has appointed M/s Bigshare Services Private Limited as the Registrar & Share Transfer Agent.

There were no shares transferred/transmitted during the Financial Year 2019-20.

**O. Reconciliation of Share Capital Audit**

As stipulated by SEBI, Reconciliation of Share Capital Audit was carried out by the Practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The reports for the same were submitted to BSE and NSE by the Company in every quarter. The audit confirms that the total issued / paid-up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

**P. Distribution of Shareholding as on March 31, 2020**

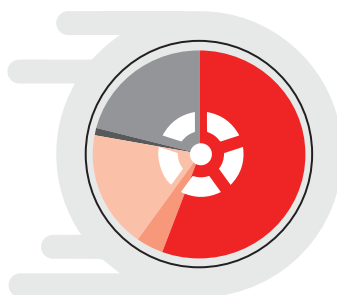
Range of Shares		No. of Shareholders	% of Shareholders	Amount	% of total
1	5,000	13,279	94.74	83,71,578	6.14
5,001	10,000	344	2.45	25,99,832	1.91
10,001	20,000	185	1.32	27,98,136	2.05
20,001	30,000	66	0.47	16,62,708	1.22
30,001	40,000	40	0.29	13,98,634	1.03
40,001	50,000	24	0.17	11,16,384	0.82
50,001	1,00,000	38	0.27	27,15,356	1.99
1,00,001	& above	41	0.29	11,56,52,782	84.84
<b>Total</b>		<b>14,017</b>	<b>100.00</b>	<b>13,63,15,410</b>	<b>100.00</b>

## Annexure - B (Contd.)

### Q. Shareholding Pattern of the Company as on March 31, 2020

Category	Number of shares held	% age of shareholding
<b>A. Promoters' holding</b>		
<b>1. Promoters</b>		
i Indian Promoters	3,81,47,830	55.97
ii Foreign Promoters	-	-
<b>2. Persons acting in concert</b>	-	-
<b>SUB – TOTAL (A)</b>	<b>3,81,47,830</b>	<b>55.97</b>
<b>B. Non-Promoters Holding</b>		
<b>3. Institutional Investors</b>		
i Mutual Funds	26,15,078	3.84
ii Banks, Financial Institutions, Insurance Companies, Central/State Govt. Institutions/ Non-Government Institutions.	39,179	0.06
iii FIIs / FPIs	1,22,35,221	17.95
iv Alternate Investment Funds	9,51,724	1.40
<b>SUB – TOTAL (B3)</b>	<b>1,58,41,202</b>	<b>23.25</b>
<b>4. Others</b>		
i Bodies Corporate & Clearing Member	19,81,482	2.90
ii Indian Public	1,06,03,269	15.55
iii NRIs	9,30,699	1.37
iv IEPF	7,235	0.01
v HUF	645,988	0.95
<b>SUB – TOTAL (B4)</b>	<b>1,41,68,673</b>	<b>20.78</b>
<b>SUB – TOTAL (B) [B3 + B4]</b>	<b>3,00,09,875</b>	<b>44.03</b>
<b>GRAND TOTAL (A+B)</b>	<b>6,81,57,705</b>	<b>100.00</b>

### Shareholding Pattern as on March 31, 2020



Category of Directors	Share
● Indian Promoters	56%
● Mutual Funds	4%
● FIIs / FPIs	18%
● Alternative Investment Funds	1%
● Others	21%

## Annexure - B (Contd.)

### R. Dematerialization of Shares

The Company's shares of the Company are available for trading in the Dematerialised Form under both the Depository Systems in India - with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are liquid and are actively traded on Stock Exchanges.

The Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail the benefits of dealing in shares in Dematerialised form.

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (DP).
- Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar & Share Transfer Agents.
- Registrar & Share Transfer Agents will process the DRF and confirm or reject the request to DP.
- Upon confirmation of request, the Shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

#### Status of Dematerialization and Liquidity as on March 31, 2020

##### Dematerialization:

Category	Number of Shares
Shares in Demat mode with NSDL	6,21,63,039
Shares in Demat mode with CDSL	59,94,651
Shares in Physical mode	15
<b>Total</b>	<b>6,81,57,705</b>

##### Liquidity:

The Number of Shares of the Company traded in the Stock Exchanges for the Financial Year 2019-2020 is given below:

Particulars	BSE	NSE	Total
Number of Shares Traded	7,75,517	85,69,823	93,45,340
% of Total Equity	1.14	12.57	13.71

### S. Outstanding GDR's/ADR's/Warrants or any convertible Instrument, Conversion Date and Likely impact on Equity

There are no convertible instruments which could result in increasing the equity capital of the Company and the Company has not issued any GDR/ADR/FCCB etc.

### T. Commodity price risk or foreign exchange risk and hedging activities:

In order to manage the Company's Foreign Exchange Exposure, the Company has in place an appropriate mechanism for management of Corporate Foreign Exchange Risk by defining its exposures, measuring them and defining appropriate actions to control this risk. The same is reviewed by the management during the year at appropriate time and placed before Board of Directors. The intent of this mechanism is to minimise the Financial Statement impact of fluctuating Foreign Currency Exchange Rates. During the COVID-19 period, it deliberated across the team to mitigate the forex loss and cope with commodity price risk.

## Annexure - B (Contd.)

### U. Plant Locations of the Company as on March 31, 2020

The Company has following manufacturing units:

S. No.	Plant Locations
1	Shed No. 1, Plot No. 33/3, D - 2 Block, MIDC, Chinchwad, Pune, Maharashtra
2	W-230-E, 'S' Block, M.I.D.C. Bhosari, Pune, Maharashtra
3	Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra
4	K- 76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
5	B - 14/3 , M.I.D.C., Waluj, Industrial Area, Aurangabad, Maharashtra
6	Sy. No. 334, 366 & 367, Bellur Village, Narsapura Hobli, Kolar, Bengaluru, Karnataka
7	Plot No. 164-165, Sector-5, IMT Manesar, Gurugram- 122050, Haryana
8	Plot No. 12, Sector- 10, IIE Pantnagar, Distt.- Udham Singh Nagar, Uttarakhand
9	Plot No. 9, 10, 23-25, Gat No. 53, Sahajapur, Aurangabad, Maharashtra
<b>Marketing/ Trading Division</b>	
10	Plot No. 2, Industrial Estate, Udyog Vihar, Phase IV, Gurugram, Haryana
11	Khashra No. 25/12/2,18,23,19, Revenue Estate , Vill. Khawaspur, Jamalpur, Main Pataudi Road, Gurugram- 122503, Haryana

### V. Address for Investors Correspondence

All queries of investors regarding the Company's shares in Physical / Demat form may be sent either to the Registrar & Share Transfer Agent or to the Secretarial Department of the Company at the following address:

#### The Registrar and Share Transfer Agent

Address	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin works building, Opp. Vasant Oasis Apartments, Makwana Road, Marol, Andheri East, Mumbai -400059.
Tel	+91-22-62638200
Fax	+91-22-62638299
Email	vinod.y@bigshareonline.com
Website	www.bigshareonline.com

#### The Company

Address	Lumax Auto Technologies Limited 2 <sup>nd</sup> Floor, Harbans Bhawan- II, Commercial Complex, Nangal Raya, New Delhi- 110046
Tel	+91-11-49857832
Email	shares@lumaxmail.com
Website	www.lumaxworld.in/lumaxautotech

## Annexure - B (Contd.)

**W. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:**

During the year under review, the Company had obtained the Credit Ratings from CRISIL which is as follows:

1. Long Term Rating - CRISIL A+/Positive
2. Commercial Paper - CRISIL A1+

The Company does not have any fixed deposit programme or any scheme or proposal involving mobilisation of Funds in India or abroad. There were no revision / changes in the aforesaid ratings issued by CRISIL.

**X. Unclaimed/Unpaid Dividends and Shares:**

Pursuant to the provisions of Section 124 & 125 of Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Dividend which remains unclaimed/unpaid for a period of Seven (7) years from the date of transfer shall be transferred to Investor Education and Protection Fund (IEPF) Authority. Further, all corresponding shares in respect of above-mentioned shares shall also be transferred to the demat account of IEPF Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form IEPF – 5 after complying with the procedure prescribed under the IEPF Rules.

The Company had sent notices to all Shareholders whose shares were due to be transferred to IEPF and the newspaper advertisement with respect to same was also published. During the Financial Year 2019-20, ₹ 1,25,508/- of unpaid/unclaimed dividend and 1,230 shares were transferred to the IEPF Authority.

Further, the Unclaimed Dividend for the Financial Year 2012-13 shall become transferable to the Investor Education and Protection Fund (IEPF) by September 27, 2020. The Company has been writing periodical reminders to all the shareholders as a part of sending Notice of the Annual General Meeting, who's Dividends are lying unpaid in the Unpaid Dividend Account. Details of shares/shareholders in respect of which dividend has not been claimed, are provided on the website. The shareholders are requested to verify their records and claim their unclaimed dividends for the past years, if not claimed.

The Company has appointed Mr. Anil Tyagi as Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company.

### 12. OTHER DISCLOSURES:

**A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:**

- There were no transaction of significant material nature by Company that have a potential conflict with the interest of Company at large.
- During the Financial Year 2019-20, all the transactions entered into were in the normal course of business and at arms' length basis. The said transactions are reported as the Related Party Transactions in the Annual Accounts.
- However, as per Regulation 23 of Listing Regulations, the Related Party Transactions which fall under the definition of 'Materiality' have been disclosed in the **Annexure - D i.e. AOC-2**.

The Audit Committee is briefed with all Related Party Transactions (material & non-material) undertaken by the Company on quarterly basis.

**B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;**

There has been no Non-Compliance penalties/strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.



## Annexure - B (Contd.)

### **C. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee**

Under the Vigil Mechanism, the Company has provided a platform to Directors and employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the Group which have a negative bearing on the organization either financially or otherwise.

The Company has a robust Whistle Blower Policy to enable its Directors and Employees to report to the Management their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Company promotes a favourable environment for employees to have an open access to the respective functional Heads, Executive Directors, Chairman and Managing Director, so as to ensure ethical and fair conduct of the business of the Company.

During the year, the Vigil Mechanism/ Whistle Blower Policy was amended in line with Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and the same has been updated on the website of the Company at [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech).

### **D. Details of compliance with mandatory requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company has fully complied with all the mandatory requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **E. Web link where policy for determining 'material' subsidiaries is disclosed**

The web link for policy determining 'material' subsidiaries is disclosed on the website of the Company at the web link [https:// www.lumaxworld.in/lumaxautotech/policies.html](https://www.lumaxworld.in/lumaxautotech/policies.html).

### **F. Web link where policy on dealing with related party transactions**

The Board approved policy on related party transactions can be accessed on [www.lumaxworld.in/lumaxautotech/pdf/related-party-transaction-policy.pdf](http://www.lumaxworld.in/lumaxautotech/pdf/related-party-transaction-policy.pdf).

### **G. Commodity price risk or foreign exchange risk and hedging activities:**

The Company has in place an appropriate mechanism for management of Corporate Foreign Exchange Risk by defining its exposures, measuring them and defining appropriate actions to control this risk. The intent of this mechanism is to minimise the Financial Statement impact of fluctuating Foreign Currency Exchange Rates.

### **H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

The Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement during the Financial Year ended March 31, 2020.

### **I. A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Board/Ministry of Corporate Affairs or any such statutory authority is enclosed with this report.**

### **J. Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with reasons thereof**

There has been no such incidence where the Board has not accepted the recommendation of any Committees of the Company during the year under review.

## Annexure - B (Contd.)

- K.** Details of all the Fees for all the services paid to M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company i.e. LATL and Lumax Cornaglia Auto Technologies Private Limited ("LCAT") i.e. Subsidiary of the Company on a Consolidated basis during the Financial Year ended March 31, 2020

(₹ in Lakhs)

S. No.	Particulars	Fees Paid		
		LATL	LCAT	Total
1	Statutory Audit	35.75	2.50	38.25
2	Limited Review	9.00	-	9.00
3	Tax Audit	1.75	1.00	2.75
4	Out of Pocket Expenses	2.18	-	2.18
5	Other Services	-	-	-
	<b>Total</b>	<b>48.68</b>	<b>3.50</b>	<b>52.18</b>

- L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

S. No.	Particulars	Number of Complaints
1	Number of Complaints filed during the Financial Year	Nil
2	Number of Complaints disposed of during the Financial Year	Nil
3	Number of Complaints pending as on end of the Financial Year	Nil

- 13. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED:**

The Company is fully compliant with all the requirements of Corporate Governance Report as stated in sub paras (2) to (10) of Schedule V of Listing Regulations.

- 14. DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED**

- (i) **The Board:** The Chairperson of the Company is of Executive category, hence the requirement of maintaining a Chairperson's office at the Company's expense and reimbursement of expenses incurred in performance of his duties does not apply.
- (ii) **Shareholder Rights:** Quarterly Financial Statements are published in newspapers (except 4th Quarter FY20, due to exemption) and uploaded on Company's website to be accessible by Shareholders.
- (iii) **Modified opinion(s) in audit report:** During the year under review, there is no Audit qualifications on the Company's Financial Results. The Company continues to adopt best practices to ensure regime of Unmodified Opinion.
- (iv) **Reporting of Internal Auditor:** M/s Deloitte Touche Tohmatsu India LLP are the Internal Auditors of the Company. The Internal Auditors have direct access to the Audit Committee and separate meeting of Audit Committee are held wherein Internal Auditors presents their Audit Observations to the Audit Committee of Board.

- 15. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46**

The Company has complied with all the requirements of Corporate Governance as follows:

- Regulations 17 to 20 and 22 to 27;
- Clauses (b) to (i) of sub-regulation (2) of Regulation 46; and
- Para C, D and E of Schedule V

## Annexure - B (Contd.)

### 16. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has a Code of Conduct for its Board and Senior Employees as per Listing Regulations and the same is available at the Company's website. The Company has obtained a compliance certificate from all concerned.

A declaration to that effect, signed by the Chief Executive Officer is attached and forms part of this Report.

The Company has formulated a Code of Conduct for prevention of Insider Trading in the Shares of the Company in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

### 17. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance forms an integral part of this Report.

### 18. CEO AND CFO CERTIFICATE

The Chief Executive Officer and the Chief Financial Officer have furnished the requisite certificate to the Board of Directors pursuant to Regulation 17(8) of the Listing Regulations which forms part of this Report.

### 19. UNCLAIMED SUSPENSE ACCOUNT

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, the Company reports the following details in respect of the equity shares lying in the suspense account:

Particulars	Number of Shareholders	Number of Shares
Aggregate number of shareholders and outstanding shares at the beginning of the year i.e. as on April 1, 2019	Nil	Nil
Number of shareholders who approached for issue/transfer of Shares during the year 2019-20	Nil	Nil
Number of shareholders to whom shares were issued/ transferred	Nil	Nil
Transfer to IEPF	Nil	Nil
Aggregate number of shareholders and the Outstanding shares lying at the end of the year i.e. March 31, 2020	Nil	Nil

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

### 20. IMPORTANT INFORMATION FOR SHAREHOLDERS

#### A. Nomination Facility

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2015 are requested to submit to the Company nomination in the prescribed Form SH-13 for this purpose.

#### B. Updation of Shareholders Information

Shareholders holding shares in physical form are requested to notify the changes to the Company/ its RTA, promptly by a written and duly signed request and Shareholders holding shares in electronic form are requested to send their instructions directly to their Depository Participants (DPs).

## Annexure - B (Contd.)

### C. Mandatory Requirement for Dematerialisation of Shares

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, the requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the Dematerialised Form with the depositories. Therefore, the Shareholders are requested to immediately take action to dematerialize their Equity Shares of the Company.

### D. Permanent Account Number (PAN)

Attention is drawn that the Shareholders holding shares in the physical form are mandatorily required to furnish copy of PAN Card in the following cases:

- i) Legal heirs' / Nominees' PAN Cards for transmission of shares,
- ii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and
- iii) Joint holders' PAN Cards for transposition of shares

### E. Mandatory transfer/transmission/transposition of shares in dematerialized mode

Pursuant to amended Regulation 40 of Listing Regulations, transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository with effect from April 1, 2019. Any investor who is desirous of transferring shares (which are held in physical form) after April 1, 2019 can do so only after the shares are dematerialized. However, the said amendment is not applicable for transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. re-arrangement / interchanging of the order of name of shareholders) cases.

The above said information about transfer of shares in demat mode was intimated to the Shareholders who are holding shares of the Company in physical mode.

**Procedure for obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the depositories or with RTA on physical folios:**

Due to the spread of pandemic COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

1. Those shareholders who have registered/not registered their mail address and mobile no.s including address and bank details may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited in case the shares held in physical form.
2. Shareholders who have not registered their mail address and in consequence the Annual Report, Notice of e-AGM and e-voting notice could not be serviced may temporarily get their email address and mobile number registered with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited, by sending the email at [vinod.y@bigshareonline.com](mailto:vinod.y@bigshareonline.com).
3. Shareholders may also requested to visit the website of the company [www.lumaxworld.in/lumaxautotech](http://www.lumaxworld.in/lumaxautotech) for downloading the Annual Report and Notice of the e-AGM.
4. Alternatively member may send an e-mail request at the email id [vinod.y@bigshareonline.com](mailto:vinod.y@bigshareonline.com) or [shares@lumaxmail.com](mailto:shares@lumaxmail.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of e-AGM and the e-voting instructions.

## Annexure - B (Contd.)

### **CERTIFICATE OF COMPLIANCE OF CODE OF CONDUCT BY BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL**

I, Vikas Marwah, Chief Executive Officer of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance of the Code of Conduct of the Company for the Financial Year 2019-20.

Place: New Delhi  
Date: June 17, 2020

**Vikas Marwah**  
Chief Executive Officer

### **CEO AND CFO CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

- a. We certify to the Board that we have reviewed Financial Statements and Cash Flow Statement for the year ended March 31, 2020 and that to the best of our knowledge and belief;
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.
- d. We have indicated to the Auditors and the Audit Committee
  - (i) significant changes in internal control over financial reporting during the year, if any;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
  - (iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**(ASHISH DUBEY)**  
CHIEF FINANCIAL OFFICER

Place: New Delhi  
Date: June 17, 2020

**(VIKAS MARWAH)**  
CHIEF EXECUTIVE OFFICER

## Annexure - B (Contd.)

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to clause 10 of Part C of Schedule V read with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

#### **Lumax Auto Technologies Limited**

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

I/We have examined the relevant records, forms, returns and disclosures received from the Directors of Lumax Auto Technologies Limited having CIN L31909DL1981PLC349793 and having Registered Office at 2<sup>nd</sup> Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi  
Date: June 16, 2020  
UDIN: F004982B000347192

Signature  
**Maneesh Gupta**  
FCS No.: 4982  
CP No.: 2945

## Annexure - B (Contd.)

### Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of  
Lumax Auto Technologies Limited  
2<sup>nd</sup> Floor, Harbans Bhawan- II,  
Commercial Complex, Nangal Raya,  
New Delhi- 110046.

1. The Corporate Governance Report prepared by Lumax Auto Technologies Limited (hereinafter the "the Company"), contains details as specified in regulation 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2020 as required by the Company for annual submission to the Stock Exchange.

#### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

#### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the Auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
  - i. Read and understand the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors w.r.t Executive and Non- Executive Directors has been met throughout the reporting period;
  - iii. Obtained and read the Directors Register as on March 31, 2020 and verified that atleast one Women Director was on the Board during the year;
  - iv. Obtained and read the minutes of the following Meetings held April 01, 2019 to March 31, 2020:
    - (a) Board of Directors Meeting;
    - (b) Audit committee;

## Annexure - B (Contd.)

- (c) Annual General meeting;
  - (d) Nomination and Remuneration Committee;
  - (e) Stakeholders Relationship Committee;
  - (f) Independent Directors Meeting; and
  - (g) Corporate Social Responsibility Committee
- v. Verified the fee disclosures as required by Clause 10(k), Part C, Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - vi. Obtained necessary declarations from Directors of the Company.
  - vii. Obtained and read the policy adopted by the Company for related party transactions.
  - viii. Obtained the Schedule of related party transactions during the year and balances at the year end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
  - ix. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the Financial Statements of the Company taken as a whole.

### Opinion

9. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2020, referred to in paragraph 4 above.

### Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the Statutory Auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**

Partner

Membership Number: 094421

UDIN: 20094421AAAACT7960

Place: New Delhi

Date: 17<sup>th</sup> June 2020