



Lumax Industries Limited

**ANNUAL REPORT
2020-21**



**TOGETHER
WE CAN**



Across the Pages

01-31

Company Overview

Strength of a Diamond

Lumax-DK Jain Group **2**

TPM Milestones over the years **6**

Lumax Industries at a Glance **8**

Together We can Deliver! **10**

Creating a Better Business Case **12**

Flourishing Together **14**

Management's Communiqué **16**

Eco-Socio-Governance: The Golden Trio **20**

Creating a Better World for All **22**

Together We are a Team! **24**

Building Communities **26**

Board of Directors **28**



32-109

Statutory Reports

Corporate Information **32**

Boards' Report **33**

Management Discussion and Analysis **47**

Corporate Governance Report **52**

Other Annexures to Boards' Report **84**

Business Responsibility Report **102**

110-252

Financial Statements

Standalone **110**

Consolidated **181**

253-267

Notice **253**



16-19 Management's Communiqué



14-15 Flourishing Together



24-25 Together We are a Team!



Investor Information

Market Capitalisation: ₹ 1,500 Crore

CIN: L74899DL1981PLC012804

BSE Code: 517206

NSE Symbol: LUMAXIND

Dividend Recommended: ₹ 7 (70%)

AGM Date: 31 August 2021

For more investor-related information please visit:

<https://www.lumaxworld.in/lumaxindustries>



Or simply scan
to browse



Strength of a Diamond

The year 2020 marked the 75th year in the journey of Lumax-DK Jain Group.

It all started with an individual's entrepreneurial dream and attempt in 1945, which was then carefully shaped with grit, determination and sustained effort. Today, that same dream has risen to stand tall amongst the business leaders of the Indian auto component industry. With more than 9,000 employees across 33 different plant locations in India, Lumax-DK Jain Group has achieved countless accomplishments and crossed numerous milestones across vehicular segments – a testimony of our capability as an organisation.

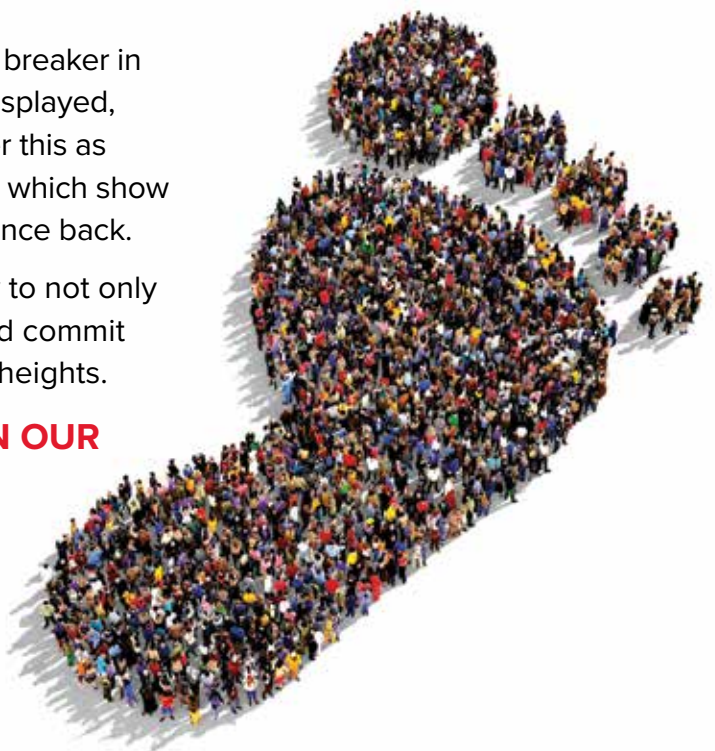
During the last 75 years our organisation has withstood many storms and challenges.

The soul of Lumax and its values have been built on the founder's firm belief that humility, hard work and a long-term association with the partners will never go out of fashion.

The ongoing pandemic is another such speed breaker in our road to success but like we have always displayed, our grit and determination will help us tide over this as well. After all, great organisations are the ones which show flexibility, resilience and have the ability to bounce back.

Diamond Celebrations give us an opportunity to not only relive our glorious past but also to resolve and commit ourselves to take our organisation to greater heights.

IT'S TIME TO TAKE GIANT STRIDES IN OUR JOURNEY FROM GOOD TO GREAT.





A 75-Year-Old
Legacy

Forged by
VALUES and
TRADITION

A Legacy of
Enduring Relationships
A Legacy of **SPECTACULAR**
ACHIEVEMENTS



Lumax-DK Jain Group

Incorporated in the year 1945, Lumax-DK Jain Group is one of the leading manufacturers and suppliers of automotive lightning and gear shifters and other Automotive Components in India.

Over the years, the Group has created a remarkable brand value for itself. With a 75-year-old glorious legacy, forged by values and tradition, the Group prioritises meaningful relationships with customer centricity, continuous innovations, effective technology, and well-sustained operational units. The Group has gained a stature of market leadership in the automotive component space in India, comprising two listed entities, Lumax Industries Limited (LIL) and Lumax Auto Technologies Limited (LATL).

Lumax enjoys over 3 decades of strong relationship with Stanley Electric Co. Limited. It has also successfully signed Joint Ventures with other globally renowned Companies from Germany, Italy, Israel, Japan, Korea and Spain.

Lumax is committed to long term growth and sustainability for all its stakeholders. In this constant journey towards improvement, the Group aims to deliver value with trust through its 'Customer-First' approach.



Together We are...
Seven Decade **STRONG**
And a **LEADER** in Automotive
Lighting & Gear Shifters

Together We are **A FAMILY OF
9000 MEMBERS**

Together We've Built...
33 Manufacturing Facilities
4 R&D Centers (India) &
1 Design Center (Taiwan)

Together We've Expanded to...
15 ENTITIES



TPM Milestones over the Years

2013

LATL Pantnagar

JIPM TPM Excellence Award

Category - A - 2012, received in 2013



2014

LIL Pantnagar

JIPM TPM Excellence Award

Category - A - 2013, received in 2014



2016

LATL Pantnagar

JIPM Award for Excellence in
Consistent TPM Commitment - 2015,
received in 2016



2017

LATL Chakan

JIPM TPM Excellence Award

Category - B - 2016, received in 2017



2018

LIL Bawal

JIPM TPM Excellence Award
Category - A - 2017, received in 2018



2019

LIL Pantnagar

JIPM Award for Excellence in
Consistent TPM Commitment - 2018,
received in 2019



2019

LIL Bengaluru

JIPM TPM Excellence Award
Category - A - 2018, received in 2019



2020

LATL Bengaluru

JIPM TPM Excellence Award
Category - A - 2019, received in 2020



2020

LIL Dharuhera

JIPM TPM Excellence Award
Category - A - 2019, received in 2020



Lumax Industries at a Glance

A leading manufacturer and supplier of automotive lighting, rooted in India.

Lumax Industries Limited ('Lumax Industries' or 'Lumax' or 'The Company'), a flagship company of Lumax-DK Jain Group, is a pioneer in the Automotive Lighting industry. Lumax cherishes its 37-year-old strong association with Stanley Electric Co. Limited, Japan, a world leader in Vehicle Lighting and illumination products, extending world-class services to India.

Lumax has 10 state-of-the-art manufacturing plants in India, strategically located near manufacturing locations of major OEMs.

Progressing each day and striving for continuous improvement, the Company has 2 Government recognised R&D centers in India and 1 in Taiwan. Prioritising quality, zero defect and cost competitiveness, Lumax Industries offers a wide range of end-to-end Automotive Lighting solutions for Four-Wheelers, Two-Wheelers applications, Commercial Vehicles, and Tractors/Farm Equipment Segment (FES).



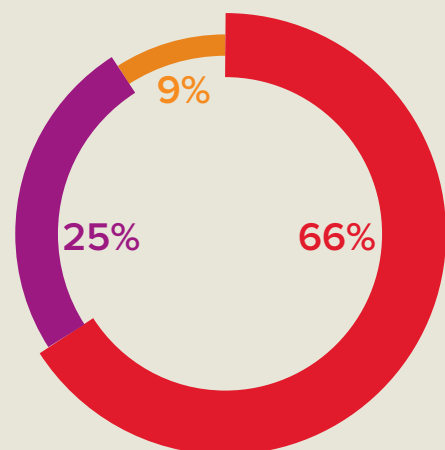
3 Decades
of Partnering with Stanley, Japan



10
Technologically Progressive Units



5 Indian States
Manufacturing Presence



Composition of Product-Wise Sales in FY 2020-21

● Front Lighting ● Rear Lighting ● Others



Our Group Purpose

We deliver **PRIDE** and **PROGRESS** with **POSITIVITY**



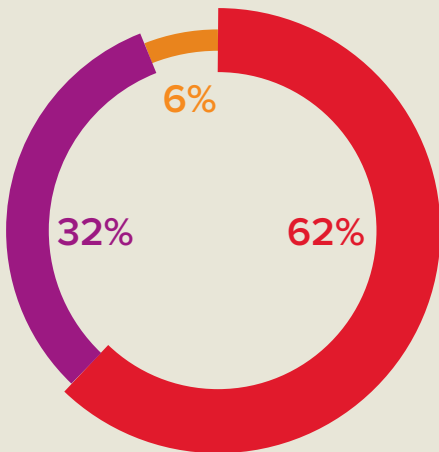
Our Values

Respect
Integrity
Passion
Excellence



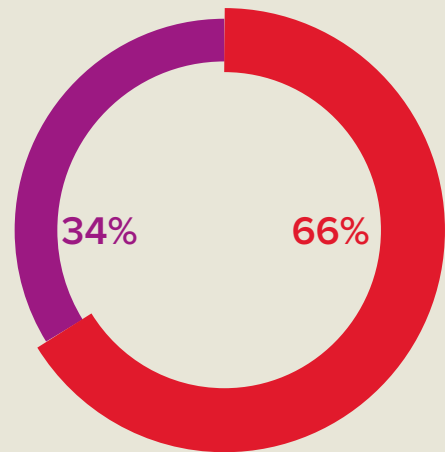
Our Vision

Building an **ADMIRABLE**
HIGH PERFORMANCE
Global Organisation in
whom all stakeholders have
ABSOLUTE TRUST



Segment-Wise Sales in FY 2020-21

● Passenger Vehicles ● Two-Wheelers
● Commercial Vehicles & FES



Product-Wise Sales in FY 2020-21

● Conventional Lighting ● LED Lighting

Together We can Deliver!

Four-Wheeler



Two-Wheeler



Commercial Vehicle



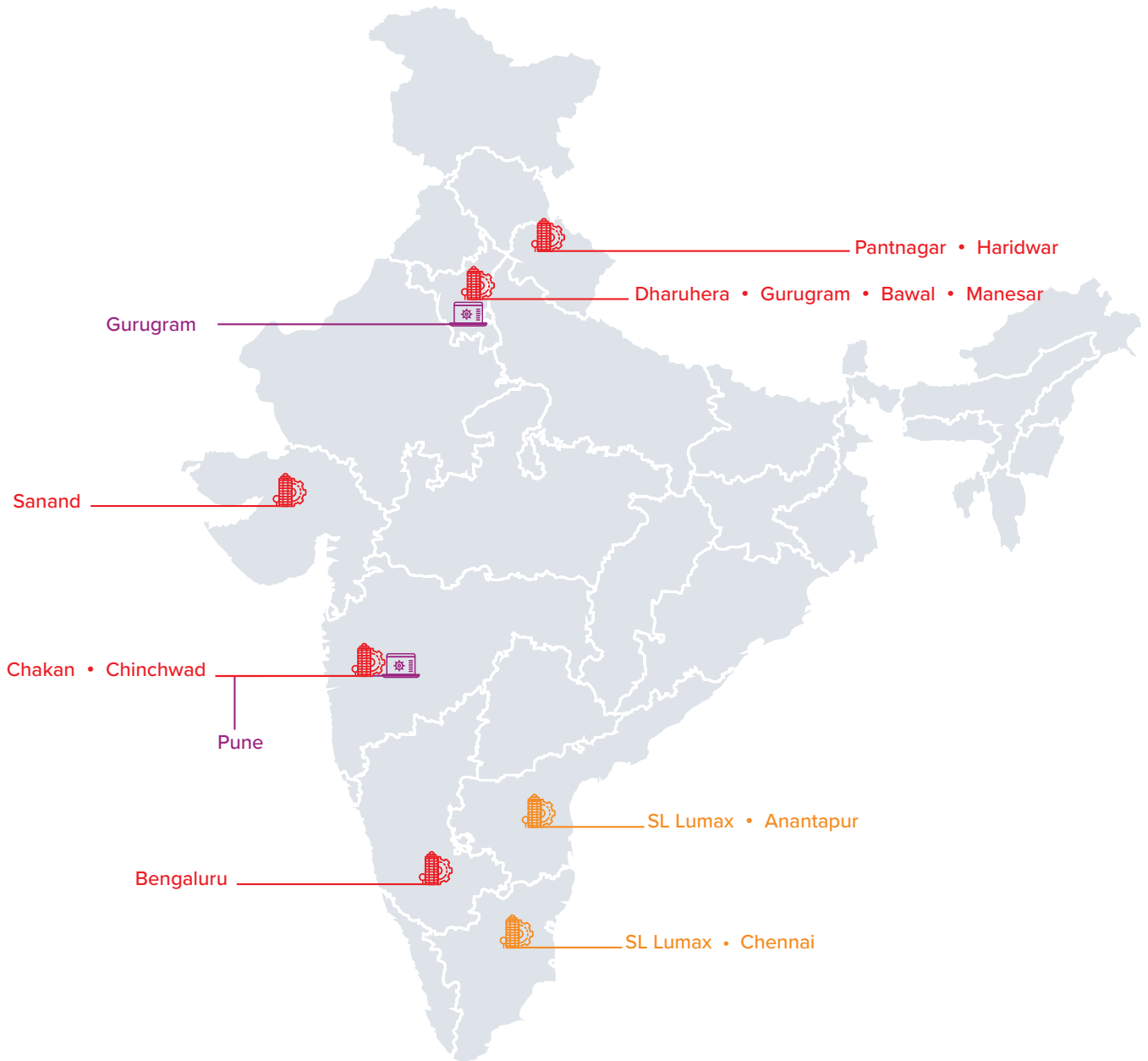
Tractors/Farm Equipment Segment



Exports



Our Footprints



1 Design Center Taiwan

LEGEND



Manufacturing Facilities



R&D Center



Manufacturing Facilities
of Associate Company

This map is a generalised illustration only for the reader's ease to understand the locations and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness.

Creating a Better Business Case



Competitive Advantage

One of the largest players in the range of lighting solutions & electronics

Consistent financial performance, improving return ratios

Over 30 years of partnership with Stanley, Japan



Technology Leadership

Collaborating with premium global players, who promise innovation & technologically advanced products



Research & Development

3 in-house Government-approved R&D centers including an overseas design center in Taiwan, which keeps the Company updated on the emerging design trends in the Automotive Lighting and Electronic space



Financial Stability

ZERO

Long Term Debt Equity Ratio



Market Leader in Automotive Components

Servicing almost 90% of OEM Customers in India



Proximity to Customers

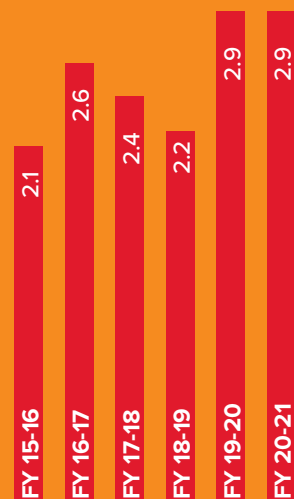
Lumax is always there for its customers. The Company's manufacturing facilities working out of India's key automotive hubs help deliver the most-advanced products in the fastest way and at the best possible rates.



Pioneers

Lumax is a name synonymous with innovations and pioneering futuristic product launches, setting industry benchmarks for its contemporaries while serving the customers with only the best quality.

A GLIMPSE OF R&D INVESTMENT AT LUMAX INDUSTRIES



R&D as a % of Revenues

Lumax has consistently invested in R&D to keep up with technology upgradation and requirements of OEMs



Domestic Demand

Indian Automotive Industry (including component manufacturing) is expected to reach ₹ 16.16-18.18 Trillion (US\$ 251.4-282.8 Billion) by FY 2025-26, as the Automotive Components industry will contribute to 2.3% of the GDP.



Rightly Placed - Production Linked Incentive (PLI) Scheme

The Union Government has approved the Production-Linked Incentive (PLI) Scheme in the Automobile and Auto-component sectors to enhance India's manufacturing capabilities and exports, which could help achieve the Atmanirbhar Bharat vision.



Flourishing Together

Lumax values the trust it has earned with decades of hard work and performance. Simultaneously, the Company has fostered relations and value for all the stakeholders to gain their confidence. It is this trust and confidence that forms the biggest asset the Company holds and grows upon.

For Lumax, the road ahead involves developing a robust product portfolio, developing strong and world-class products. In line with the demand for the vehicles of tomorrow, Lumax is drawing up strategies and execution plans to supply technologically advanced products to the OEMs.



With over 30 years of a suited match with Stanley Electric Co. Limited, Japan, one of the leading manufacturers of Automotive Lighting and electronic components in Japan, providing cutting-edge optical technologies to the world, Lumax has become a name revered with excellence and a world-class product portfolio meeting global automotive trends.

As the next step to further establish the Company's position in the niche segment, it has extended the existing joint venture (JV) business with Stanley, to include Heating Ventilation Air Conditioning panels (HVAC) pannels and other electronic components for Indian Market.

R&D Innovation

The R&D team is crucial to the Lumax growth chapter. Whether it is developing talent within the organisation, finding expandable areas, or mapping the Company's positioning and strategies for the external setup, the Company invests on its human resources as it believes that their development not only encourages the holistic development of the Company but also the country as a whole. Leaving no stones unturned when it comes to the workforce safety and satisfaction, Lumax continues to grow with the people who make its very core.

Management's Communiqué

The Automotive Industry will be the front-liner, tackling disruptions head-on, as well as the torchbearer, leading this change.

Dear Stakeholders,

The COVID-19 pandemic continues to present huge challenges. These are anxious times that present numerous challenges which have made their mind up against growth, yet despite all the downsides, humanity continues to impress with its grit, vigour, and more so, with compassion. There may have been doubts on whether humans can work in a unison, but evidently, keeping all our differences aside, we, the people of the world, came together and accomplished impossible feats during such unprecedented times. Vaccines were developed for a disease no one had heard of, within 6 months. This in itself truly shows the power of unity. The obstacle may have been greater, but our keen efforts to move forward has been remarkable.

We, at Lumax, are confident that with resilience and grit, we will overcome every obstacle. As a brand that is built on the premise of togetherness, we were yet again reminded of just how closely-knit our Lumax family really is.

In FY 2020-21, as businesses dropped globally, we had two core goals: Sustaining the growth momentum, while also protecting our people. It gives us immense pleasure to inform you that we met a resounding success at both.

About workforce health, we were quick to take sweeping measures nationwide,

setting up our own quarantine centers in just a few weeks. In spite of temporary production shutdowns, the Company managed to record commendable performance in FY 2020-21 too. Though COVID-19 tried its best and the lockdowns affected public movements, the Company had been a step ahead with its 7-decade-old multi-location footprint, assisting us to reach our customers despite the limitations.

Lumax is indebted to its associates for their untiring work, as well as for their willingness to shoulder considerable responsibility. The agreements needed for this were finalised in constructive dialogue with the employee representatives. We are also humbled by the generous loyalties our customers and suppliers have displayed, as well as our shareholders and supervisory board members, whose guidance and unwavering support led us through these tough times.

As the global economy rebounds from the COVID-19, the path to resumption is not unmarked by obstacles. Challenges with a mass vaccination exercise continue to weigh on activity within India as well as globally. The COVID-19-induced lockdown in the first half of the year resulted in 23% lower output,

consumption, and deeply impacted GDP in the first quarter. The fiscal stimulus provided by the Center and the RBI provided some relief, and was aided by phased unlocking in from September.

The Indian economy recorded a V-Shaped recovery and showed optimistic signs of revival. The vaccination initiative taken by the Government brought confidence in the economy. However, the second wave of COVID-19 forced the Government to impose lockdown in major states and cities, leading to cramping of financial momentum resulting in repeated economic slowdown by the end of the fourth quarter.

Lumax had already taken massive procedural shifts during the last year to accommodate the new normal. Our collective efforts ensured business continuity and achievement of innovative milestones. Going forth, it is our togetherness that will lead to success.

The world, as we know it, won't be the same after the pandemic is dealt with. Even currently, we are experiencing paradigm shifts that are both economic and social, fuelled by continuing digitalisation, climate change, and compounded by the



Anmol Jain
Joint MD

DK Jain
Chairman Emeritus

Deepak Jain
Chairman and MD

impact of the Coronavirus pandemic. These enormous challenges can only be met by venturing off the beaten path and pursuing approaches marked by creativity and responsibility. With innovations sparked by inspiration, based on technological excellence, and characterised by reliability, we are shaping the future of business, society, and technology. The Automotive Industry will be the frontliner, tackling disruptions head-on, and emerging as a torchbearer of change.

The Automotive market has a crucial role in the Indian economy, and while the Indian Automotive Industry faced many recent challenges, including COVID-19 pandemic, experts say its growth potential is huge and clear.

Financial Snapshot

The FY 2020-21 has been a challenging year for every industry.

However, the Automotive Industry, true to its reputation, doesn't get knocked out easily. The pandemic had its day, but since the onset of the third quarter, the automotive demand has shown tremendous resilience, post facing the worst-ever downturn witnessed in the last two decades. While the first quarter saw a complete washout of sales as the pandemic peaked, the second quarter saw a V-Shaped recovery for the Company. The first half proved to be challenging from the cashflow perspective, the Company achieved commendable record performance in FY 2020-21 too. Our healthy relations with our clients and vendors helped us stay afloat during this time. With the gradual resumption of activities and pent-up demand across segments, we recorded very good sales for the next two quarters, that is before, of course, the second wave of pandemic hit us. We credit this success to our

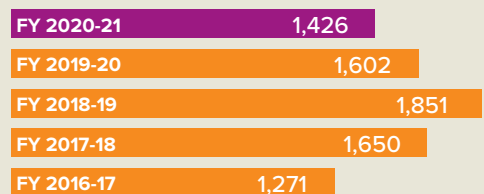
amazing workforce, who never resisted challenges and tirelessly worked towards the Company's vision.

Operational Snapshot

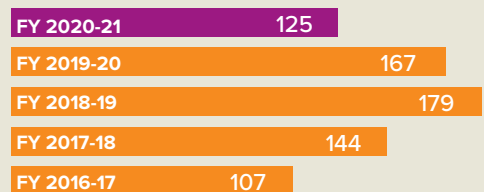
Characterised by difficult challenges and unforeseen events, the year held testimony to our effective leadership, which kept motivating our workforce while constantly engaging with them. We learnt a new way of operating, 'working from home' - enabled by our digitally sourced platform.

On the operational front, our expansion into Printed Circuit Board (PCB) business is intact and the greenfield site at Bawal, Hararyana will be commissioned soon. Our focus on continually innovating new products remained unfazed, while moving with the industry trends. We expanded our product portfolio in electronics and started a JV extension with our age-old partner and Japan's automotive

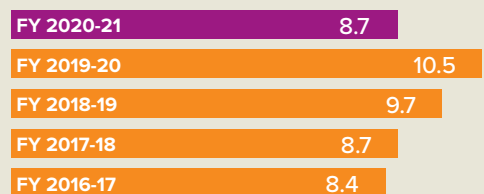
Financial Performance



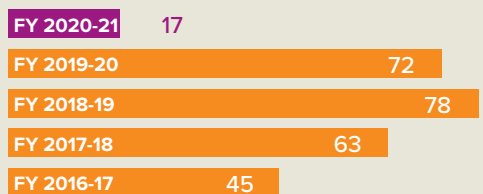
Revenue from Operations (₹ Crore)



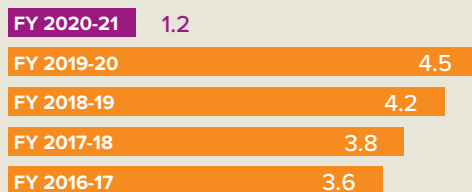
EBITDA (₹ Crore)



EBITDA Margin (%)



PAT (₹ Crore)



PAT Margin (%)

Standalone Results

EBITDA: Earnings before interest, tax, depreciation, and amortisation

PAT: Profit after Tax excluding exceptional items

pioneer, Stanley. Going forward, we are optimistic that Automotive Industry has a bright future ahead, with a sure increase in per capita consumption.

As an employer, we see the future as a fast-paced world of innovation, passion, and the courage to embrace change. People are the key to future success, and this is why, our talented people are the very essence of the Lumax future story.

With our EHS strategy for sustainable products, we consider opportunities and risks throughout our products' life cycles. We are stepping up to the challenge of climate change with new building technology concepts.

The key importance of environmental protection for our future success is also reflected in our target vision for sustainability: five of the six issues – energy, climate, water, urbanisation, and health – are directly related to the protection of our livelihoods and the conservation of natural resources. We have

been working to reduce our ecological footprint for many years. Our environmental management ensures that we consistently pursue the goals we set ourselves. These efforts are coordinated by the EHS (Environment, Health, and Safety) and Sustainability corporate sector.

Though FY 2020-21 was a watershed year for all of us, it also showed how collaboration and sharper strategies can work miracles. While 2020 tested our capabilities and endurance, 2021 is setting the stage for a new era of growth and sustainability. We thank you all for your commitment and support and invite you to partner towards an inclusive growth for all our stakeholders.

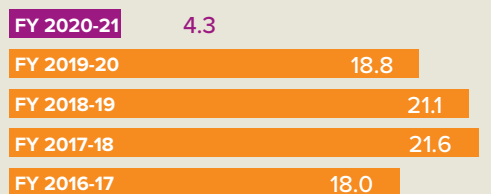
Warm regards,

DK Jain

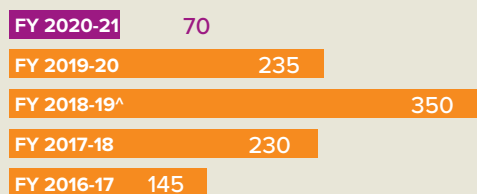
Deepak Jain

Anmol Jain

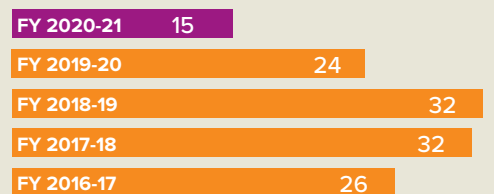
Financial Ratios



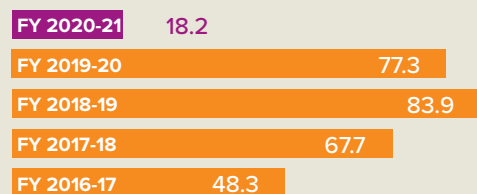
ROE (%)



Dividend^ (% of Face Value)



ROCE (%)



EPS (in ₹)

Standalone Results

^ Total Dividend includes special dividend of Rs. 10/share on account of income on sale of land and building in FY19

ROE: Return on Equity

ROCE: Return on Capital Employed

EPS: Earnings Per Share



Eco-Socio-Governance: The Golden Trio

At Lumax, the business model entails responsibly delivering sustainable growth and shareholder returns, with utmost dedication while dealing with environmental, social and matters pertaining to governance.



Environmental

The Company offers innovative energy efficient product solutions to its customers, thereby reducing carbon footprint.



Social

We proactively manage issues most critical to the long-term sustainability of our business and the environment in which we operate.



Governance

We feel with good governance, we appropriately respond to environmental and social issues while simultaneously ensuring execution of strategies.



Creating a Better World for All

As a leading supplier of Automotive products, we realise the role we can play in making a better world for all. And while there is a long way to go, Lumax is moving forward in that direction everyday.

In this sense, sustainable, ecological, and socially-responsible action is the foundation for our success in business.

We thrive on inclusion which makes it natural for us to include future generations for whom we must leave the world better than how we received it.



Key steps taken for energy conservation:

Improving the efficiency of equipment, such as:

Chiller Network System: Replacing older chiller system with an energy-efficient chiller system.

Compressed Air Network: Replacing inefficient GI-compressed air pipeline with aluminum pipeline.

Pumping System: Modifying process pump pipe network to reduce the friction loss. Thereby reducing overall pumping cost of system.

Process Improvements: Installing equipment with higher surface temperatures such as Injection Molding Machine Hopper Insulation and Insulation paint on oven with high surface temperature.

Cooling Tower: Reducing the cooling tower's energy consumption by replacing the CI fan with FRP fan and interlocking the CT fan speed with cooling tower outlet temperature.

Motor System: Shifting from conventional motors to energy-efficient motors and shifting from higher capacity motors to lower capacity motor with load analysis of motor.

Plans Prepared for Implementation of Renewable Energy

Energy Management System (EnMS) ISO-50001

The Company has already obtained Energy Management System (EnMS) ISO-50001 for one of its plants located at Bawal and is planning to get all the other plants certified very soon, which shall keep a check on the energy consumption of plant.

Energy Monitoring System – Way Forward

As per the objective of the Company for continuous improvement on each process and monitoring real time data to avoid any resource loss, we have installed energy monitoring systems at our plants in Bawal, Dharuhera, Chakan, Bangalore, Sanand. We have plans to completely connect all plants with this cloud-based central monitoring system.



2.84 MW

Installed Capacity
of Solar Roof Tops



3,005* TON

Annual CO₂ Savings

(*Based on our production capacity of about 1.5 Million LED headlamps per year, we have saved about 0.5g of CO₂ for every km driven per headlamp (0.5g/km for 2w, 1g/km for 4w) by switching to LED lamps from conventional. Assuming an average, people drive about 12,000 km per year, our estimations are based on the assumption that 33% of the time headlamps are used. This means that we have helped save the planet about 3,000 metric tons of CO₂ every year.)



Together We are a Team!

As a Company active nationwide, Lumax bears responsibility for all its stakeholders as well. Hoping to contribute beyond our products, we have set clear outcomes and goals for our social strategies. One of our priorities is to promote education and health, which we consider an investment for the future. However, Lumax believes in starting right at home, and so, to make better human assets for the nation on a whole, we began with our workforce.



Of the People

People and Culture

People are our greatest asset. It is they who have made Lumax a leader in the Auto Component Industry.

From its highly qualified leaders to every executive in position, the Company boasts of diverse, compassionate, and striving individuals, whose passion for perfection drives Lumax to greater heights every day. To further their growth, the Company provides opportunities to all its employees to help them with personal and professional growth. The employees at Lumax are encouraged to pursue excellence and provided career development options.

The workplace environment attracts, develops, motivates and retains associates, emphasising performance and productivity. Lumax seeks to maintain alignment, foster accountability, and encourage long-term focus.



5,628
Workforce



For the People: Opportunities

Any company is just as good as the people it creates. Hence, investing in the development and career of every employee remains a high-focus area, which allows the Company to utilise their potential in a competitive market. Lumax engages with its associates through internal and external programmes that challenge them to strive for continuous improvement and develop specialised knowledge and leadership skills. The Company holds training programmes and workshops for eligible associates, their skills and expertise which are aimed at enabling them to stay at the top of their profession.



1,006
Training Modules



4,705
Manhours Training

For the People: Healthier Together

To maintain a seamless work experience, all the employees of the Company are well taken care of, their safety and well being is a priority. Apart from mandating the needed safety measures at work, Lumax also conducts awareness drives to reinforce the importance of safety at work.



Average
20 **per plant per year**
Engagement Programmes



Building Communities

Lumax-DK Jain Group has aligned its Corporate Social Initiatives with the United Nations - Sustainable Development Goals (SDGs). They serve as a guide in our efforts to create a better and equal world.

Lumax Charitable Foundation, the CSR arm of Lumax, has been facilitating social initiatives based on SDGs of 'Good Health' and 'Quality Education'. The vision of the foundation focusses on transforming the lives of children, youth and the elderly to have a better future and eternal hope. The mission prioritises - Education, Life skills, and Health in communities around the plant locations to promote an inclusive development and empowered lives.





Power of Education

Education is the harbinger of light and empowers by providing growth opportunities in life.

Most of the students in the schools are from the marginalised segment of the society, many are first generation learners from rural India and therefore, education opens a world of opportunities for them as well as empowers them to make a difference.

LCF initiated the student2scholar project – Usha ki Kiran in Haryana, Maharashtra and Gujarat and about 175 students have benefitted from the scholarships from various Government and Private scholarship schemes.

The Company's endeavour is to provide holistic education in the schools we operate. The effort is to provide life skills training to the students to equip them with the ability to take decisions, solve problems, hone interpersonal and intrapersonal skills, set and achieve goals, as also learn to manage stress. The programme is currently ongoing in 10 senior secondary schools in Haryana in online and onsite mode.

During lockdown, the Company ensured that the students did not miss their beyond school learning and there was continuity in the programme. The offline Life Skills sessions were shifted to online platform, reaching over 400 students in primary Schools. The students gained strength in STEM (Science, Technology, English and Maths).

To ensure smooth learning environment, infrastructure is of prime importance, 'Roshan Vidyalaya' programme, helped us provide well-lit classrooms having installed LED light fixtures in 16 schools in Haryana and 2 schools in Pantnagar, Uttarakhand.

Career Counselling Programme was successfully



conducted online and onsite for students of 16 Government schools in Haryana, 9 in Pune and 2 schools in Sanand. Through this programme, students are made aware of the various career options available basis their subjects, their aptitude and interests and application processes, opening the world of opportunities for them.

This multi-pronged approach helped us to reach out to 4,500 students and paved the way for their better future.

Special attention has been paid to encourage girl child to enrol in schools. Every year doors of education open for 200 girls that are integrated in formal education system.

Health Care

Cancer camps have been organised through our implementing partner in Haryana. Complete examination by doctors, blood profiling and radiology including mammography are conducted onsite for the communities as part of preventive screening. The Foundation has supported the treatment of diagnosed patients in its endeavour towards Cancer Mukht Dilli.

In continuation with our endeavour to provide vision for the elderly, we continued with the preventive eye care screening and 654 number of Cataract surgeries.

COVID-19 Relief

The Company distributed free ration during lockdown in the vicinity of its plants and also in coordination with local administration to the marginalised. The timely intervention supported over 6,000 people.

Ventilators and medical equipment were also donated to hospitals to help them serve the increasing number of COVID-19 positive cases.

Board of Directors



Mr Dhanesh Kumar Jain

(Chairman Emeritus)

- ▶ 78 years of age, holds an MBA degree from the Delhi university and has successfully completed President Management Programme from the Harvard Business School
- ▶ Over 50 years of experience in the Automotive Industry in Management, Operations & Administrative roles
- ▶ Held various industry positions
- ▶ Past President of ACMA, President suppliers association – Toyota Kirloskar Motors, Chairman of Trade Fairs Committee ACMA, Co-chairman of Regional Committee on Membership of Northern Region CII, Past Chairman of CSR subcommittee of the Northern Region of CII



Mr Deepak Jain

(Chairman & Managing Director)

- ▶ 46 years of age, a Business Graduate from the Illinois Institute of Technology, USA, with specialisation in Operations Management & International Business
- ▶ Has undergone extensive training at Stanley Co. Limited, USA & Stanley Electric Co. Limited, Japan, with experience of 26 years
- ▶ Currently the President of ACMA and Chairman - CII Northern Region - Regional Committee on Advanced Manufacturing
- ▶ Also holds the position of Vice President - Toyota Kirloskar Supplier's Association and is member of Young President Organisation and Entrepreneurs' Organisation
- ▶ Also served as Chairman of ACMA's HR/IR & Skill Development Committee, past Chairman of Sustainable Technology Development Committee of ACMA, past National Coordinator of Young Business Leader Forum of ACMA and past President of Supplier's club, Honda Cars India Limited



Mr Anmol Jain

(Joint Managing Director)

- ▶ 42 years of age, holds Bachelors in Business Administration in Finance & Supply Chain Management (Double major) from the Michigan State University, USA
- ▶ Worked as a Management Trainee with GHSP, USA and subsequently joined Lumax Group in 2000 and has experience of 21 years
- ▶ Currently, the President of Honda Cars India Supplier's Club & MC member of Bajaj Auto Vendor Associations
- ▶ Held various positions in Industry Associations - was the National Coordinator of ACMA - YBLF from 2014-16
- ▶ He was also the Chairman CII Haryana State Council in 2012-13



Mr Vineet Sahni

(CEO & Senior Executive Director)

- ▶ 56 years old veteran in the Automotive Industry, with experience of 34 years. He has demonstrated unique leadership style and has been instrumental in promoting self-reliance in Technology for Indian engineers
- ▶ He has an extremely rich techno-commercial background
- ▶ Completed his Engineering from the Delhi College of Engineering and PG Diploma in Business Management from MSPI-Delhi



Mr Toru Tanabe

(Non-Executive Director)

- ▶ 62 years old, Graduate from the Hosei university, Japan
- ▶ Over 25 years of rich experience in R&D of Electrical Components & Advanced Illumination Systems for Automotive Equipment
- ▶ Joined Stanley, Japan, in 1981



Mr Tadayoshi Aoki

(Senior Executive Director)

- ▶ 55 years old, Mechanical Engineering from the Tokyo Denki University, Japan
- ▶ Possesses over 30 years of rich experience in the field of Car Electronics, Engineering, Sales of Car Electronic parts and Sales Planning Division



Mr Kenjiro Nakazono

Executive Director

- ▶ 51 years old, a Graduate from the Hamamatsu Commercial High School
- ▶ Has over 30 years of rich experience in Procurement, Planning, Audit and NPD



Mr Avinash Parkash Gandhi

(Independent Director)

- ▶ 82 years old, Mechanical Engineer
- ▶ Has held top leadership positions in prestigious organisations with over 40 years of experience
- ▶ His last assignment was as the President at Hyundai Motors India Limited. Prior to that he was the Chief Executive, R&D, at Escorts Limited & at Telco before that and has held various senior positions in the area of Manufacturing Operations



Mr Dhiraj Dhar Gupta

(Independent Director)

- ▶ 71 years old and B.Com (Hons.) Graduate from SRCC, Delhi University
- ▶ An Industrialist with over 3 decades of experience in Auto Component manufacturing



Mr Rattan Kapur

(Independent Director)

- ▶ 63 years old, B.Com Graduate from the Delhi University
- ▶ An industrialist with over 32 years of experience in the Auto Component industry
- ▶ Was a former President at ACMA, Chairman of Haryana State Council of CII



Mr Rajeev Kapoor
(Independent Director)

- ▶ 68 years old and Mechanical Engineer (Hons.) from NIT, Kurukshetra
- ▶ Was the MD for Copart Inc. and has served as an Independent Director on the board of RICO industries, Co-Chair of Economic Committees SIAM, served on the board of ARAI, Pune, and on the board of the Indo Italian chamber of Commerce
- ▶ Listed on the power list of 2012, alongside Mr. Ratan Tata, Mr. Rahul Bajaj, Mr. Anand Mahindra etc.
- ▶ Entrepreneurial by nature and experience in excess of 40 years



Mrs Ritika Modi
(Independent Director)

- ▶ 55 years old with an experience of over 25 years in the Travel and Airline industry
- ▶ Currently, the Regional President of UNIGLOBE Travel South Asia, heading the largest single brand travel franchise network in the South Asia region



Mr Vikrampati Singhania
(Independent Director)

- ▶ 55 years old, MBA from the Fuqua School of Business, Duke University, USA
- ▶ Currently, the MD of JK Fenner (India) & JK Agri Genetics with an experience of over 27 years in the industry
- ▶ A 4th generation industrialist from the industrial group - JK Organisation
- ▶ Deeply involved in the Motors Sports activity of the Organisation

Corporate Information

CHAIRMAN EMERITUS

Mr. D.K. Jain

BOARD OF DIRECTORS

Mr. Deepak Jain

Chairman & Managing Director

Mr. Anmol Jain

Joint Managing Director

Mr. Vineet Sahni

CEO & Senior Executive Director

Mr. Toru Tanabe

Non Executive Director - Stanley Nominee

Mr. Tadayoshi Aoki

Senior Executive Director - Stanley Nominee

Mr. Koji Sawada (Upto 18 June 2020)

Executive Director - Stanley Nominee

Mr. Kenjiro Nakazono (w.e.f. 18 June 2020)

Executive Director - Stanley Nominee

Mr. Avinash Parkash Gandhi

Independent Director

Mr. Munish Chandra Gupta (Upto 4 December 2020)

Independent Director

Mr. Dhiraj Dhar Gupta

Independent Director

Mr. Rattan Kapur

Independent Director

Mr. Rajeev Kapoor

Independent Director

Mrs. Ritika Modi

Independent Director

Mr. Vikrampati Singhania (w.e.f. 11 February 2021)

Independent Director

BOARD COMMITTEES

Audit Committee

Mr. Avinash Parkash Gandhi - Chairman

Mr. Dhiraj Dhar Gupta - Member

Mr. Rattan Kapur - Member

Mr. Rajeev Kapoor - Member

Mr. Deepak Jain - Member

Mr. Tadayoshi Aoki - Member

Nomination & Remuneration Committee

Mr. Rattan Kapur - Chairman

Mr. Avinash Parkash Gandhi - Member

Mr. Dhiraj Dhar Gupta - Member

Share Transfer/ Stakeholders Relationship Committee

Mr. Dhiraj Dhar Gupta - Chairman

Mr. Deepak Jain - Member

Mr. Tadayoshi Aoki - Member

Corporate Social Responsibility Committee

Mr. Deepak Jain - Chairman

Mr. Avinash Parkash Gandhi - Member

Mr. Anmol Jain - Member

GROUP CHIEF FINANCIAL OFFICER

Mr. Sanjay Mehta

GROUP COMPANY SECRETARY

Mr. Raajesh Kumar Gupta

CHIEF FINANCIAL OFFICER

Mr. Shruti Kant Rustagi

COMPANY SECRETARY

Mr. Pankaj Mahendru

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Private Limited

Karvy Selenium Tower B, Plot No. 31-32, Gachibowli Financial District, Nanakramguda Hyderabad -500 032
E-mail: einward.ris@kfintech.com

REGISTERED OFFICE

2nd Floor, Harbans Bhawan -II, Commercial Complex, Nangal Raya, New Delhi -110046

CORPORATE IDENTITY NUMBER

L74899DL 1981PLC012804

BANKERS

Canara Bank

Citi Bank N.A.

CTBC Bank Co. Limited

Federal Bank Limited

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

IndusInd Bank Limited

Kotak Mahindra Bank Limited

Standard Chartered Bank

STATUTORY AUDITORS

M/s B S R & Associates LLP

INTERNAL AUDITORS

M/s Grant Thornton Bharat LLP

MANUFACTURING LOCATIONS

Northern Region

HARYANA

- i) Plot No. 16, Sector-18, Maruti Complex, Gurugram, Haryana.
- ii) Plot No. 195-195A, Sector 4, Phase-II, Bawal, District Rewari, Haryana.
- iii) Plot No. 6, Industrial Area, Dharuhera, District Rewari, Haryana.
- iv) Plot No. 91-B, Sector-5, IMT Manesar, Gurugram, Haryana.

UTTARAKHAND

- v) Plot No. 51, Sector 11, IIE, Pant Nagar, District Udham Singh Nagar, Uttarakhand.
- vi) Plot No. 5, Industrial Park -II, Village Salempur, Mehdood, Haridwar, Uttarakhand.

Western Region

MAHARASHTRA

- vii) 608-609, Chakan Talegaon Road, Mahalunge Ingle, Chakan, Pune, Maharashtra.
- viii) D2-43/2, M.I.D.C. Industrial Area, Chinchwad, Pune, Maharashtra.

GUJARAT

- ix) Plot No. D-1, Vendors Park, Sanand, Distt. Ahmedabad, Gujarat.

Southern Region

KARNATAKA

- x) Plot No. 69-70 A, Phase-II, Bidadi Industrial Area, Sector-2, Bengaluru, Karnataka.

BOARDS' REPORT

TO THE MEMBERS,

The Board of Directors ("Board") have pleasure in presenting the 40th Annual Report on the business and operations together with Audited Financial Accounts of the Company ("the Company") for the Financial Year ended 31 March 2021.

1. FINANCIAL PERFORMANCE- STANDALONE & CONSOLIDATED

The highlights of standalone and consolidated financial performance of the Company are as follows:

Particulars	(₹ in Lakhs unless otherwise stated)			
	Standalone		Consolidated	
	For the Financial Year 31 March		For the Financial Year 31 March	
	2021	2020	2021	2020
Revenue from Operations	1,42,598.07	1,60,158.72	1,42,598.07	1,60,158.72
Other Income	2,523.38	966.19	2,523.38	735.27
Total Revenue	1,45,121.45	1,61,124.91	1,45,121.45	1,60,893.99
Total Expenses	1,41,969.47	1,52,929.65	1,41,969.47	1,52,929.65
Profit before exceptional items, income tax and share in profit/(loss) of associate	3,151.98	8,195.26	3,151.98	7,964.34
Profit of Associate	-	-	154.09	1,208.76
Profit Before Tax (PBT)	3,151.98	8,195.26	3,306.07	9,173.10
Tax Expenses	1,448.13	964.57	1,490.84	1,983.42
Profit After Tax (PAT)	1,703.85	7,230.69	1,815.23	7,189.68
Other Comprehensive Income/(Loss) Items that will not be re-classified to profit or loss				
- Remeasurement of defined benefit liability/asset	126.54	(94.38)	142.12	(68.79)
- Income Tax relating to above	-	-	-	-
Net other Comprehensive Income/(Loss)	126.54	(94.38)	142.12	(68.79)
Total Comprehensive Income	1,830.39	7,136.31	1,957.35	7,120.89
Paid-up Equity Share Capital	934.77	934.77	934.77	934.77
Earnings Per Share Basic/Diluted EPS (In ₹)	18.23	77.35	19.42	76.91

a. COMPANY PERFORMANCE

Standalone:

The year under review was a challenging year on account of Pandemic COVID-19. First quarter of the year was almost washed out with negligible revenue. Second quarter registered slight recovery. However, during the third quarter and fourth quarter, there was a 'V' Shaped recovery which compensated majority of the losses suffered during the first half of the financial year. During the year under review, the Company achieved revenue from operations of ₹ 1,42,598.07 Lakhs which was lower by 10.96% from the last financial year.

For the FY 2020-21, the profit before tax (PBT) stood at ₹ 3,151.98 Lakhs as compared to ₹ 8,195.26 Lakhs in the last year. The Profit after Tax (PAT) stood at ₹ 1,703.85 Lakhs as compared to ₹ 7,230.69 Lakhs in the last year. The Total Comprehensive Income declined to ₹ 1,830.39 Lakhs from ₹ 7,136.31 Lakhs in the last year.

Consolidated:

At the consolidated level, the Revenue from Operations declined by 10.96% whereas the Profit before tax (PBT) and Profit after tax (PAT) for the Period stood at ₹ 3,306.07 Lakhs and ₹ 1,815.23 Lakhs respectively. The Total Comprehensive Income stood at ₹ 1,957.35 Lakhs.

Boards' Report (Contd.)

b. SHARE CAPITAL

The paid-up Equity Share Capital as on 31 March 2021 was ₹ 934.77 Lakhs. During the year under review, the Company has not issued shares or granted stock options or sweat equity.

c. DIVIDEND

Your Board have recommended a Dividend @ ₹ 7/- per equity share (i.e. 70%) having face value of ₹ 10/- each for the FY 2020-21 in its meeting held on 11 June 2021 subject to approval of Shareholders in the ensuing AGM ("AGM"). The Total Dividend paid for the last financial year was ₹ 23.50/- per Equity Share (i.e. 235%) having face value of ₹ 10/- each.

The total dividend pay-out for the FY 2020-21 would work out to ₹ 654.34 Lakhs, which is equivalent to 38.40% of the net profits of the Company during the year as against the pay-out of ₹ 2,532.97 Lakhs (including Corporate Dividend Tax of ₹ 336.25 Lakhs) in last FY 2019-20. The Register of Members and Share Transfer Books shall remain closed from Tuesday, 24 August 2021 to Tuesday, 31 August 2021 (both days inclusive).

The dividend as recommended by the Board, if approved by the shareholders at the ensuing AGM shall be paid to the eligible Shareholders, whose names appear in the Register of Members as on Monday, 23 August 2021 within the stipulated time period.

d. AMOUNT TRANSFERRED TO RESERVES

The Board of the Company do not propose to transfer any amount to reserve other than transfer of undistributed profits to surplus in statement of profit & loss.

e. PERFORMANCE OF ASSOCIATE COMPANY & CONSOLIDATED FINANCIAL STATEMENTS

The Company has one Associate Company viz. SL Lumax Limited, which was incorporated in the year 1997. The Company holds 21.28% in equity share capital of SL Lumax. SL Lumax is based in Chennai and primarily engaged in manufacturing of automotive components which includes lamp assemblies, chassis, mirror and front-end modules (FEM).

During FY 2020-21, the Associates profit attributable to the Company was ₹ 154.09 Lakhs as compared to the ₹ 1,208.76 Lakhs in the last year.

In accordance with the provisions of the Act ("the Act") and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the FY 2020-21, together with the Auditors' Report form part of this Annual Report.

A report on performance and financial position of Associate Company included in the Consolidated Financial Statement (CFS) is presented in a separate section in this Annual Report in the prescribed format AOC-1 as a part of financial statements.

In accordance with Section 136 of the Act, the electronic copy of Financial Statements of the Associate Company shall be available for inspection in the investor section of website of the Company at www.lumaxworld.in/lumaxindustries. Any Member desirous of obtaining a copy of the said Financial Statements may write to the Company Secretary at the Registered Office of the Company. The Financial Statements including the CFS, and all other documents required to be attached to this report have been uploaded on the website of the Company at www.lumaxworld.in/lumaxindustries.

2. STATE OF COMPANY'S AFFAIRS

FY 2020-21 was a tough year for the automotive sector as a whole. According to Society of Indian Automobile Manufacturers (SIAM) report, the industry produced a total 2,26,52,108 vehicles including Passenger Vehicles, Commercial Vehicles, Three wheelers, Two wheelers and Quadricycle during the FY 2020-21 as against 2,63,53,293 produced during last FY 2019-20 showing a degrowth of 14%, but the more severely hit segments were the Commercial Vehicle Segment showing a decline of 17% and 3 Wheeler segment the worst impacted showing a decline of 46%. The automotive sector saw both ups and down during this period, witnessing the longest sustained downfall in automotive industry. During this turbulent and unprecedented time, the Company with its strong order book and products in development, remained the market leader and a preferred supplier for all the Original Equipment Manufacturers (OEMs) in India. The technology has been changing and evolving rapidly, and in order to always be ahead with the competition, Lumax has been focussing on strengthening its R&D capability. With this belief Lumax is in process of opening its R&D Centre in Czech Republic to have international technical competence and globalization of the same. This centre will also help to further enhance the skill of the local staff with exposure to new futuristic technologies.

It has been a pretty successful year for the Company. It has been able to add new customers in its portfolio coupled with the new businesses from existing customers to improve top line.

With the introduction and emphasis of localization by OEMs, to avoid the risks associated with the supply chains, Lumax is investing in the upgradation of its

Boards' Report (Contd.)

existing manufacturing facilities alongside setting up a state of art Electronics manufacturing facility. The same will help in successful localization of technologically advanced products thus giving the customers immunity from supply chain risks with best quality products.

The Company has further strengthened its relations with its partner and shall be venturing into new product line: Heater Control Panel to be offered to its OEM customers.

To succeed in the digital era, where technologies are changing the ground rules in every industry, the Company undertook several new initiatives for enhancement of its existing Information Technology (IT) systems to meet the regulatory and other organizational requirements. The Company's focus was on automation. The Company implemented following new initiatives:

- Software for virtual meetings to facilitate management for smooth functioning. This resulted in better collaboration between management and employees and a lot of cost saving particularly, in travelling and other overheads.
- Linking of Moulding machines with SAP and now there is both way communication from SAP to Moulding machines and vice versa. In this, daily production plan data is sent to moulding machines and machines do production accordingly. At the end of the shift, data of actual production is sent from moulding machines to SAP. As a Pilot project, this has been implemented in one plant at Bangalore and plans are in place to rollout in other plants accordingly.
- Digitisation of champions of cost cutting (CCC), project registration and approval process resulting in quick decision, paperless office and escalation in case of any delay.
- SMS based reporting to management for daily sales directly from SAP.

Automotive Lighting is a Safety Critical Automotive Component. Over Years several New Technologies have matured with focus on Aesthetic, Cost, Power Consumption, Improved Visibility etc. New functions are coming to improve safety and also to show the brand signature. Usage of some functions on light markings to improve safety, or brand logos for styling and marketing reasons. Vehicles are embedding more and more sensors (in front, rear or side of Vehicle), which raises the challenges of their integration in the vehicle, their fusion to perceive the environment, and also the management of an increasing quantity of data (local or cloud processing, data annotation and storage). The Company is working towards continuous improvements by adding Core

Engineering Strength. It has restructured the organisation with an Engineering Centre for Competence (COC) & adding Specialists for developing next generation Lighting Systems for Automotive applications. It has Localized LED Projectors, Lighting Electronics, Light Guides etc to bring Value added Technologies at affordable cost to Customers. It will be launching few innovative Technologies in India Like Localised LED Projectors, LED Fog Lamps, Sealed Projector, Sequential Turn Indicator, integrated 3-in-one Signalling Functions, Lamps with 2K-3K Lens/Bezel, Full Decklit Lamps etc. in India for enhanced visibility & Aesthetic at Lower Power Consumption or Cost. The Company is also working on Innovative Technologies of the future (Low cost Projectors, Low Cost AFS/ADB, 3D Holographic Signaling, Homogenous lit appearance, Sensor integration, Logo or Signal Projections etc.).

The Company demonstrated its commitment towards Quality by ensuring that quality processes are adhered to by all through its recently Launched LDR (Lumax Development Rule) Product Development Process. This is an Online Project Management 7 gate tool that has taken program execution towards excellence.

The awards received at the ICQCC- Singapore by its teams are proof. The Company has won accolades and awards not only from the customers but also at various industry conventions like ACMA competition, National Convention of Quality Control Circle (NCQCC), Kaizen. Also Company got International TPM awards from Japan Institute of Plant Maintenance (JIPM) for best manufacturing practices.

The Company continues to uphold the highest standards of Corporate Governance, treating its various stakeholders as an ethical requisite rather than a regulatory necessity and continue to base all its actions on the principles of fairness, trust and transparency, standing by its core values of Respect, Integrity, Passion and Excellence.

All in all, the Company made good progress in all areas in FY 20-21, and the management is quite confident that going forward the Company will continue to deliver value to all its customers and stakeholders. The long-term outlook for the Company remains positive and it is poised to outperform the industry.

Having said the above, your directors would like to put a word of caution with respect to spread of pandemic COVID-19 and repetitive countrywide lockdown during March, 2020 and first quarter of the current financial year which has severely hit the industry in general and automotive sector in particular. On account of this, the financial performance of the Company during the FY 20-21 is affected. Though, the management of the Company has taken various initiatives to optimize costs in order to reduce the impact of COVID-19.

Boards' Report (Contd.)

a. CAPACITY EXPANSION & MODERNIZATION OF FACILITIES

The Company is constantly expanding the boundaries of its existing facilities and during the year under review, the Company has invested towards capacity expansion of its manufacturing facilities as follow:

- Expansion at Bangalore – ₹ 1,470 Lakhs
- Capex for new Projects at other plants – ₹ 2,411 Lakhs
- Capex advance payment for new Projects at Bawal and Sanand (Under Development) – ₹ 348.23 Lakhs and ₹ 372.80 Lakhs respectively

Further, an expenditure on Research and Development facilities of Chakan and Gurugram was done to the tune of ₹ 326.44 Lakhs.

b. TECHNOLOGY, INNOVATION AND QUALITY

There is a Paradigm shift at the pace at which Technology is updating in the Automotive segment focused on Innovation, Styling, Quality & Cost. Automotive Lighting being the Jewel of the Vehicle has always been a challenging part irrespective of interior or exterior. It's getting complex with more Electronics content getting embedded in Automotive Lighting. India is adapting to higher end Technologies at a very fast pace with Advance Front Lighting System, Full LED Headlamps & Innovative Signalling Functions. The Company is rapidly increasing its Engineering Strength with a vision to be leading global affordable Lighting Supplier focused towards Technologies mapped with Low Cost LED Headlamps, LED Projectors, LED High Beam Boosters, Logo Projections, Diffractive Holographic Signalling Functions, Sensor Integration in lamps etc.

To achieve Technology Roadmap the Company has expanded its Engineering Strength with a pool of experts in Optics, Electronics & Core Engineering. This will expedite pace to catch up with Lighting Technology in west and have it available for OEMs in India at affordable cost. The Company already has tie-up with Stanley Japan which continues to be a Pillar of strength.

The Company will continue to innovate and develop world class products and put thrust and focus on R&D, Global Technology partnerships and development of advanced technological automotive products. As an annual practice, this year as well, the Company will celebrate 15 September as Innovation Day, on the occasion of Engineers Day, showcasing the Company's new products, technologies to the customers.

c. MANAGEMENT DISCUSSION & ANALYSIS REPORT

As stipulated under the provisions of Regulation 34 of the Listing Regulations, Management Discussion & Analysis Report forms an integral part of this Report as an **Annexure - A** and provides details on overall Industry Structure and Developments, financial and operational performance and other material developments during Financial Year under review.

d. KEY BUSINESS DEVELOPMENTS

The Company had entered into a revised Technical Assistance Agreement with Stanley Electric Co. Limited, Japan, the existing Foreign Promoter of the Company.

During the year under review, the Board in its meeting held on 26 March 2021, had approved the proposal for establishing an office in Czech Republic to strengthen the Technological Capabilities of the Company.

e. THE CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the Financial Year ended 31 March 2021, there was no change in the nature of business of the Company.

3. GOVERNANCE AND ETHICS

a. CORPORATE GOVERNANCE

The Report on Corporate Governance together with the Auditor's Certificate regarding the Compliance of conditions of Corporate Governance as stipulated in Regulation 34 of Listing Regulations is annexed and forms part of this Report as an **Annexure - B**.

b. DIRECTORS & KEY MANAGERIAL PERSONNEL

(i) Directors

The Composition of Board of Directors is in conformity with the applicable provisions of the Act and Listing Regulations.

During the year under review, Mr. Kenjiro Nakazono (DIN: 08753913) was appointed in place of Mr. Koji Sawada, as a "Whole Time Director" (Key managerial personnel) w.e.f. 18 June 2020. Mr. Munish Chandra Gupta (DIN: 01362556) resigned from the position of the "Non-Executive Independent Director" of the Company with effect from 4 December 2020.

The Board places on record its deep gratitude and appreciation for the valuable contribution and support extended by Mr. Koji Sawada and Mr. Munish Chandra Gupta during their term as Wholetime Director and Non-Executive Independent Director respectively of the Company towards Lumax ethos and performance.

Boards' Report (Contd.)

The Board on the recommendation of the Nomination and Remuneration Committee had appointed Mr. Vikrampati Singhania (DIN: 00040659) as an Additional Director designated as Non-Executive Independent Director w.e.f. 11 February 2021 for a period of five (5) years, subject to the approval of shareholders in the AGM.

Mr. Vikrampati Singhania aged 55 years is a fourth-generation industrialist belonging to one of the largest industrial groups in India – J.K. Organization. JK Organization is an over 125 years old business house with leadership across multiple sectors. The Group is present in 100 countries apart from all India presence with annual sales revenue of over USD 4.15 billion. The Group manufactures and markets a wide range of products from Paper, Automobile Tyres, Cement, Auto Components, Textiles, Agri Products, etc. Mr. Singhania did his Master's Degree in Commerce from Kanpur University and his MBA from Fuqua School of Business, Duke University, USA. He has Association with following Professional Bodies:

- Member of Fuqua Indian Advisory Board of Duke University, USA
- Member of Managing Committee, The Associated Chambers of Commerce & Industry of India (ASSOCHAM).
- Member of Executive Committee of Automotive Component Manufacturers Association of India (ACMA).

In accordance with the Articles of Association of the Company and the Act, Mr. Vikrampati Singhania shall hold office till the ensuing AGM. The Company has received a notice from a member under Section 160 of the Act proposing the candidature of Mr. Vikrampati Singhania for his appointment as Director of the Company for five consecutive years w.e.f. 11 February 2021, not liable to retire by rotation. Keeping in view the experience and vast knowledge of Mr. Singhania, the Board of the Company recommends the appointment of Mr. Singhania by the Shareholders at the ensuing AGM.

A brief profile of Mr. Vikrampati Singhania is provided in the Notice of the ensuing AGM of the Company.

Retirement by Rotation and Subsequent Re-Appointment

- In accordance with the Articles of Association of the Company and Section 152 of the Act read with the Companies (Appointment

and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Tadayoshi Aoki, Whole Time Director (Key Managerial Personnel) (DIN: 08053387) is due to retire by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

A brief profile of Mr. Tadayoshi Aoki is provided in the Notice of the ensuing AGM of the Company.

Independent Directors

The Board has 6 (Six) Independent Directors, including one Woman Independent Director, representing diversified fields and expertise. Details are provided in the relevant section of the Corporate Governance Report.

All Independent Directors have registered themselves with the Indian Institute of Corporate Affairs for the inclusion of their name in the data bank of independent directors, pursuant to the provision of Rule 6 (1) of Companies (Appointment and Qualification of Directors) Rules, 2014. Further, they have confirmed that they shall comply with other requirements, as applicable under the said rule.

Further as stipulated under the Regulation 17(10) of Listing Regulations an evaluation exercise of Independent Directors was conducted by the Board and the all have been satisfactorily evaluated by the Board.

(ii) Key Managerial Personnel (KMP)

As on 31 March 2021, Mr. Deepak Jain, Chairman & Managing Director, Mr. Anmol Jain, Joint Managing Director, Mr. Vineet Sahni, Whole Time Director (Senior Executive Director & CEO), Mr. Tadayoshi Aoki, Whole Time Director (Senior Executive Director), Mr. Kenjiro Nakazono, Whole Time Director (Executive Director), Mr. Shruti Kant Rustagi, Chief Financial Officer and Mr. Pankaj Mahendru, Company Secretary are regarded as Key Managerial Personnel (KMPs).

During the year under review, following changes have taken place in the Key Managerial Personnel of the Company:

Cessation

- Mr. Koji Sawada had resigned from the post of Whole Time Director (KMP) (Executive Director) of the Company w.e.f. 18 June 2020.

Boards' Report (Contd.)

Appointment

- Mr. Kenjiro Nakazono was appointed as a Whole Time Director (KMP) (Executive Director) of the Company w.e.f. 18 June 2020 for a period of 3 years and his appointment was regularised by the Shareholders in the AGM held on 28 August 2020.

c. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the FY 2020-21, the Board met six (6) times on 29 May 2020, 18 June 2020, 12 August 2020, 9 November 2020, 11 February 2021 and 26 March 2021 to review the operations of the Company. It is confirmed that the gap between two consecutive meetings was not more than one hundred and twenty days as provided in Section 173 of the Act.

Pursuant to the requirements of Para VII (1) of Schedule IV of the Act and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 1 March 2021, without the presence of Non-Independent Directors and Members of the management, to review the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Directors, Non-Executive, Non-Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

d. DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134 (3) (c) & 134 (5) of the Act, and to the best of their knowledge and belief, and based on the information and explanations provided, your Directors hereby make the following statements:

- (i) that in the preparation of the Annual Accounts for the Financial Year ended 31 March 2021 the applicable Accounting Standards have been followed and there are no material departures;
- (ii) that the Directors have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31 March 2021 and of the profit and loss of the Company for that period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) that the Directors have prepared the Annual Accounts on a "going concern" basis;
- (v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

e. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

As stipulated under the provisions of Section 149 (6) of the Act and Regulation 25 of Listing Regulations, the requisite declarations have been received from the Independent Directors regarding meeting the criteria of Independence as laid down under those provisions. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

f. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Pursuant to the provisions of Section 178(1) of the Act and Regulation 19(4) read with Part D of Schedule II of Listing Regulations, the Board of the Company in their meeting held on 20 March 2019, had approved the revised Nomination and Remuneration Policy of Directors, Key Managerial Personnel (KMP) and Other Employees including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided u/s 178(3), to bring it in line with amendments enforced by statute.

The main features of the Policy are as follows –

- a. Introduction and Regulatory Framework
- b. Objective
- c. Constitution of Nomination and Remuneration Committee
- d. Role of Nomination and Remuneration Committee
- e. Appointment/ Nomination of Directors
- f. Remuneration of Directors
- g. Appointment of Key Managerial Personnel and Senior Management Personnel
- h. Remuneration of Key Managerial Personnel and Senior Management Personnel
- i. Appointment and Remuneration of Other Employees
- j. Term/Tenure

Boards' Report (Contd.)

- k. Evaluation of Performance of Board of Directors
- l. Frequency of Board Evaluation
- m. Disclosure
- n. Administration, Review and Amendment of Policy
- o. Clarification

The Company's Nomination and Remuneration Policy is enclosed to this Report as an **Annexure - C**.

The said policy is also available on the website of the Company at <https://www.lumaxworld.in/lumaxindustries/pdf/nomination-and-remuneration-policy-of-directors.pdf>.

g. PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

One of the key responsibilities and role endowed on the Board is to monitor and evaluate the performance of the Board, Committees and Directors.

Accordingly, in line with applicable provisions of the Act and Listing Regulations, the annual performance evaluation of the Board as a whole, Committees and all the Directors was conducted, as per the internally designed evaluation process approved by the Nomination and Remuneration Committee. The evaluation tested key areas of the Board's work including strategy, business performance, risk and governance processes. The evaluation considers the balance of skills, experience, independence and knowledge of the management and the Board, its overall diversity, and analysis of the Board and its Directors' functioning.

Evaluation Technique

- The evaluation methodology involves discussion on questionnaires consisting of certain parameters such as Evaluation factor, Ratings and Comments, if any.
- The performance of entire Board is evaluated by all the Directors based on Board composition and quality, Board meetings and procedures, Board development, Board strategy and risk management, etc.
- The performance of the Managing Director and Executive Directors is evaluated by all the Board Members based on factors such as leadership, strategy formulation, strategy execution, external relations, etc.
- The performance of Non-Executive Director and Independent Directors is evaluated by other Board Members based on criteria like managing relationship, Knowledge and skill, personal attributes, etc.

- It also involves self-assessment by all the Directors and evaluation of Committees of Board based on Knowledge, diligence and participation, leadership team and management relations, committee meetings and procedures respectively.
- Further, the assessment of Chairman & Managing Director's performance is done by each Board Member on similar qualitative parameters.

Evaluation Outcome

The feedback of the evaluation exercise and inputs of Directors are collated and presented to the Board and an action plan to further improve the effectiveness and efficiency of the Board and Committees is put in place.

The Board as a whole together with each of its committees were working effectively in performance of its key functions - Providing strategic guidance to the Company, reviewing and guiding business plans, ensuring effective monitoring of the management and overseeing risk management function. The Board is kept well informed at all times through regular communication and meets once per quarter and more often as and when need arises. Comprehensive agendas are sent to all the Board Members well in advance to help them prepare and ensure the meetings are productive. The Company makes consistent efforts to familiarize the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant, Product Category and Corporate Function from time to time.

The performance of the Chairman was evaluated satisfactory in the effective and efficient discharge of his role and responsibilities for the day to day management of the business, with reference to the strategy and long-term objectives. The Executive Directors and Non-Executive Directors provided entrepreneurial leadership to the Company within a framework of prudent and effective controls, with a balanced focus on policy formulation and development of operational procedures. It was acknowledged that the management accorded sufficient insight to the Board in keeping it up to date with key business developments which was essential for each of the individual Directors to maintain and enhance their effectiveness.

h. AUDIT COMMITTEE & COMPOSITION

As on 31 March, 2021 the Audit Committee of Board comprised of Six (6) Members viz. Mr. Avinash Parkash Gandhi (Chairman), Mr. Dhiraj Dhar Gupta, Mr. Rattan Kapur, Mr. Rajeev Kapoor (Independent Directors), Mr. Deepak Jain and Mr. Tadayoshi Aoki (Executive Directors).

Boards' Report (Contd.)

During the year under review, Mr. Munish Chandra Gupta who was a member of the Audit Committee resigned with effect from 4 December 2020 and accordingly he ceased to be member of the Committee.

The details regarding category of Members and terms of reference of Audit Committee had been stated in Corporate Governance Report which forms part as an **Annexure - B** to this Report.

All the recommendations of Audit Committee made to the Board of Directors were duly accepted by the Board of Directors.

i. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

For the FY 2020-21, all the Related Party Transactions entered into by the Company were in ordinary course of business and at arms-length basis. All Related Party Transactions, which are foreseen and repetitive in nature, are placed before the Audit Committee on yearly basis for obtaining prior omnibus approval of the Committee.

The transactions entered into pursuant to the omnibus approval are placed before the Audit Committee for review and approval on quarterly basis. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the provisions of the Act and Listing Regulations.

There were no material significant Related Party Transactions entered into, by the Company with Promoters, Directors or Key Managerial Personnel, which may have a potential conflict of interest for the Company, at large.

The details of Related Party Transactions undertaken by the Company which fall under the purview of "Materiality" as per Listing Regulations are attached in **Form AOC-2** as an **Annexure - D** to this Report.

Further, the Shareholder approval on such Material Related Party Transactions have been taken by way of Postal Ballot Notice dated 9 November 2020 for which the results were declared by the Company on 15 January 2021. The Company has formulated a policy on Related Party Transactions, which is available on the Company's website at <http://www.lumaxworld.in/lumaxindustries/pdf/related-party-transactionpolicy.pdf>.

j. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism named Whistle Blower Policy, for Directors, employees and business associates to report to the Management, concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics, in accordance with the provisions of Section

177 (10) of the Act and Regulation 22 of the Listing Regulations. This mechanism provides for adequate safeguards against unfair treatment of whistle blower who wishes to raise a concern and also provides for direct access to the Chairman of the Audit committee in appropriate/exceptional cases.

The Whistle Blower Policy is available on the website of the Company www.lumaxworld.in/lumaxindustries. To further strengthen this mechanism, the Company has launched an Employee App which is available for both android and iOS users to report any instances of financial irregularities, breach of Code of Conduct, abuse of authority, unethical/unfair actions concerning Company vendors/suppliers, malafide manipulation of Company records, discrimination among employees in an anonymous manner to provide protection to the employees and who report such unethical practices and irregularities.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy.

During the year under review, no incidence under the above mechanism was reported.

k. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

The Company has adopted the Code of Conduct for Directors and Senior Management of the Company. The same is available on the website of the Company <https://www.lumaxworld.in/lumaxindustries/pdf/Code%20of%20Conduct%20for%20Directors%20and%20Senior%20Management.pdf>

l. PARTICULARS OF EMPLOYEES

Information on Employees as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report as an **Annexure - E**.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules which form part of the Boards' Report, will be made available to any shareholder on request, as per provisions of section 136(1) of the said Act.

m. COMPLIANCE MANAGEMENT FRAMEWORK

The Company has a robust and effective framework for monitoring compliances with applicable laws. The

Boards' Report (Contd.)

Company has installed a Software namely AVACOM for Compliance Management and through this Software the Company is able to get the structured control over applicable compliances by each of the units of the Company.

A separate Corporate Compliance Management Team periodically reviews and monitors compliances by units and supports in effective implementation of same in a time bound manner. The Board and Audit Committee along-with Compliance team periodically monitors status of compliances with applicable laws based on quarterly certification provided by Senior Management.

4. INTERNAL FINANCIAL CONTROLS & ADEQUACY

a. ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has a robust and well embedded system of internal controls in place to ensure reliability of financial reporting, orderly and efficient conduct of business, compliance with policies, procedures, safeguarding of assets and economical and efficient use of resources. Appropriate review and control mechanisms are put in place to ensure that such control systems are adequate and operate effectively.

Periodical programs of Internal Audits are planned and conducted which are also aligned with business objectives of the Company. The meetings with Internal Auditors are conducted wherein the status of audits and management reviews are informed to the Board.

The Company periodically conducts physical verification of its inventory, fixed assets and Cash on hands and matches it with the books of accounts. Explanations are sought for any variance noticed from the respective functional heads.

The Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015.

The Company gets its Standalone and Consolidated Financial Statements reviewed every quarter by its Statutory Auditors.

The Company uses an established SAP ERP HANA Systems to record day to day transactions for accounting and financial reporting. The SAP system is configured to ensure that all transactions are integrated seamlessly with the underline books of accounts, which helps in obtaining accurate and complete accounting records and timely preparation of reliable financial disclosures.

b. RISK MANAGEMENT POLICY

The Company had adopted the Risk Management Policy and voluntarily constituted the Risk Management Committee in order to frame, implement, and monitor the risk management plan for the Company. The Committee is responsible for development and implementation of a Risk management Policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company and is responsible for reviewing the risk management plan and its effectiveness. The Company has Risk Management Policy which can be accessed on Company's website www.lumaxworld.in/lumaxindustries.

c. AUDITORS

Statutory Auditors

Pursuant to the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014 the Company in its 36 AGM held on 22 July 2017 approved the appointment of M/s B S R & Associates LLP, Chartered Accountants (Firm Registration No. 116231W/W-100024) as Statutory Auditors of the Company for an initial term of five (5) years from the conclusion of 36 AGM till the conclusion of 41 AGM to be held in the year 2022.

M/s B S R & Associates LLP, Chartered Accountants have furnished a certificate confirming that they are not disqualified from continuing as Auditors of the Company.

Statutory Auditors Report

The Report given by M/s B S R & Associates LLP, Chartered Accountants on the Financial Statements of the Company for the FY 2020-21 forms part of the Annual Report. There has been no qualification, reservation, adverse remark, or disclaimer given by the Auditors in their Report.

Cost Auditors

In terms of Section 148 (1) of the Act, the Company is required to maintain cost records for certain products as specified by the Central Government and accordingly such accounts and records are prepared and maintained in the prescribed manner.

The Board, on recommendation of Audit Committee, has re-appointed M/s Jitender, Navneet & Co. (Firm Registration No. 000119) as the Cost Auditors of the Company in accordance with Section 148 and other applicable provisions of the Act, for the audit of the cost accounts of the Company for the FY 2021-22.

The remuneration proposed to be paid to the Cost Auditor requires ratification by the shareholders of the Company. In view of this, your approval for payment of remuneration

Boards' Report (Contd.)

to Cost Auditors is being sought at the ensuing AGM. Accordingly, a resolution, seeking approval by members for the Ratification of the remuneration to be paid to Cost Auditors amounting to ₹ 1.75 Lakhs (Rupees One Lakh Seventy-Five Thousand only) excluding taxes and out of pocket expenses, if any, payable to M/s Jitender, Navneet & Co., is included in the Notice convening 40th AGM of the Company.

Cost Audit Report

The Cost Audit Report for the FY 2019-20 has been filed with the Central Government within the stipulated time.

Disclosure On Maintenance Of Cost Records As Specified By Central Government Under Sub Section (1) Of Section 148 of the Act

The Company is maintaining cost records as stipulated under law.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Mr. Maneesh Gupta, Practicing Company Secretary (M. No. F4982) as the Secretarial Auditor of the Company to conduct the Secretarial Audit for the FY 2021-22.

The Company has received consent from Mr. Maneesh Gupta to act as the auditor for conducting audit of the secretarial records for the Financial Year ending 31 March 2022.

Annual Secretarial Audit Report & Annual Secretarial Compliance Report

The Secretarial Audit Report for the Financial Year ended 31 March 2021 under the Act, read with Rules made thereunder and Regulation 24A (1) of the Listing Regulations is set out in the **Annexure - F** to this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8 February 2019 read with Regulation 24 A (2) of Listing Regulations, all listed entities on annual basis are required to get a check done by Practising Company Secretary (PCS) on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder and get an Annual Secretarial Compliance Report issued in this regard which is further required to be submitted to Stock Exchanges within 60 days of the end of the Financial Year.

The Company has engaged the services of Mr. Maneesh Gupta (CP No. 4982), PCS and Secretarial Auditor of the Company for providing this certification.

Accordingly, the Company has complied with the above said provisions and an Annual Secretarial Compliance Report has been submitted to the Stock Exchanges within stipulated time.

Internal Auditors

In compliance with the provisions of Section 138 of the Act, read with the Companies (Accounts) Rules, 2014, the Internal Audit, of various units of Company, for the FY 2020-21 was carried out by M/s Grant Thornton Bharat LLP. Further, the Board in their meeting held on 11 June 2021 has appointed M/s Grant Thornton Bharat LLP as Internal Auditors for the FY 2021-22.

d. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE ACT OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

During the year under review, no frauds were reported by Statutory Auditor and Secretarial Auditor against the Company which need to be mentioned in this Report.

5. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND INITIATIVES

The Company's Corporate Social Responsibility (CSR) is to give back to society and contribute to nation's development through its initiatives.

The Company's CSR initiatives are implemented through its CSR arm/trust, Lumax Charitable Foundation ("Foundation"), with focus on education, empowerment of girl child through education and the healthcare, for disadvantaged Section of society.

During the year, the Company's obligation to spend on CSR activities was ₹ 163.81 Lakhs i.e. 2% of the average net profits during the three immediately preceding Financial Years. Out of this amount, an amount of ₹ 46.54 Lakhs remained unspent. The Company could not spend this money on the projects for which the same was envisaged because of COVID situation and lockdown.

The unspent amount of ₹ 46.54 Lakhs has already been deposited in separate accounts in compliance with the amended provisions of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The same will be spent on the following on-going projects as per the provisions of the Act read with the applicable rules framed thereunder:

Organization / Projects	Allocation (in ₹)
Infrastructure School, Sanand	26.54 Lakhs
Life Skills Monk.e.wise	20.00 Lakhs
Total	46.54 Lakhs

Boards' Report (Contd.)

The Company has constituted a CSR Committee of the Board and also developed & implemented a CSR Policy in accordance with the provisions of the Act. The Committee monitors and oversees various CSR initiatives and activities of the Company. The details of CSR Policy is available on the Company's website <http://www.lumaxworld.in/lumaxindustries/pdf/corporate-social-responsibility-policy.pdf>.

Key CSR Activities:

Lumax provides holistic education opportunities and preventive and curative health interventions, committed to the India Sustainable Goals of Quality Education and Good Health. These interventions and programs are managed by the Lumax Charitable Foundation team along with implementation partners.

Education:

In its endeavor to provide holistic and quality education, the interventions include, girl child enrolment in schools, starter kits and learnings aids. It is to provide and enable underprivileged students to enhance their learning experience through out of school learning activities like excursion trips, end-to-end career counselling, life-skills & soft-skills training on a continuous basis. The programs help to facilitate various govt. & private scholarships to deserving need-based and merit-based students to pursue with their education.

Infrastructure needs of the govt. schools including the construction of toilets, classroom, providing LED lights are also undertaken after a thorough need assessment. The programs are preferably conducted in areas around the Company's plants.

Health:

Under health, the Foundation has been supporting communities near the plants with preventive Cancer awareness and screening camps and also provide eye care camps for eye-check up and conducting Cataract surgeries. The cancer screening includes blood profiling along with physical examination by a surgeon, ENT specialist and a gynecologist, complete with radiology examination.

The programs also include Juvenile diabetes for the underprivileged children and a mobile path lab for communities donated to the Primary Health Centre (PHC).

Constitution of CSR Committee

As on 31 March 2021, the CSR Committee of the Company comprised of three (3) Members namely, Mr. Deepak Jain (Chairman), Mr. Avinash Parkash Gandhi and Mr. Anmol Jain. Mr. Munish Chandra Gupta who was

chairman of the CSR Committee resigned with effect from 4 December 2020. Accordingly, the Committee was reconstituted and Mr. Deepak Jain was appointed as a Chairman of the CSR Committee by the Board in its meeting held on 11 February 2021.

The details of the CSR Policy of the Company are also available on the website of the Company at www.lumaxworld.in/lumaxindustries. The contents of the said policy are as below:

- CSR Philosophy
- Constitution of CSR Committee
- Role of CSR Committee
- Implementation of CSR Projects, Programs and Activities
- Allocation of Budget
- Lumax domains of engagement in accordance with Schedule VII
- Monitoring and Review Mechanism
- Management Commitment

The Annual Report on CSR as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as an **Annexure - G** to this Report in the prescribed format.

6. OTHER DISCLOSURES

Material Changes and Commitments

The Board of the Company in its Meeting held on 26 March 2021 had approved the proposal for Capital Expenditure (CAPEX) amounting up to ₹ 80 Crore for setting up of the Company's new manufacturing unit(s) at Sanand, Gujarat to cater to the orders received from MG Motors and other customers. The total Capex will be funded by mix of Debt and internal accruals and peak annualized turnover is expected to be approximately ₹ 150 Crore post commissioning. The project is expected to be operational by Q3 FY 22.

No material changes and commitments affecting the financial position of the Company have occurred between 1 April 2021 and the date on which this Report has been signed.

Particulars of Loans, Guarantees and Investments

The particulars of Investments and Loans as on 31 March 2021 as covered under the provisions of Section 186 of the Act is given in the Notes 6 and 7 respectively to Financial Statements of the Company. The Company has not given any guarantees during the year under review.

Boards' Report (Contd.)

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

One of the several commitments that continued to remain in force throughout the Financial Year was developing business along with improvement in environmental performance to maintain a reliable and sustainable future. During the course of the year, the manufacturing units of the Company have continued their efforts to reduce energy consumption in all areas of their operations. These manufacturing units are constantly encouraged to improve operational activities and maximising production volumes and minimizing consumption of natural resources. Systems and processes have been put in place for utilization of alternate sources of energy and monitoring of energy consumption for all the units.

Disclosure of information regarding Conservation of Energy, Research & Development, Technology Absorption and Foreign Exchange Earning and Outgo, etc. as required under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is annexed as an **Annexure – H** to this Report.

Extract of Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31 March 2021 is available on the Company's website on www.lumaxworld.in/lumaxindustries/annual-return.html.

Details of Fixed Deposits

During the year under review, the Company has neither accepted nor renewed any Deposit in terms of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and hence any provisions of the said Section are not applicable to the Company.

Names of Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the Year

During the FY 2020-21, there were no companies which became Subsidiary or Joint Venture of the Company, neither the Associate Company ceased to be an Associate of the Company.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators / Courts / Tribunals, which would impact the going concern status of the Company and its future operations.

Constitution of Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)

As per MCA notification dated 31 July 2018, a "Statement that the Company has complied with the provisions related to Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)" has to be included in the Board's Report.

In accordance with the above-mentioned provisions of POSH, the Company is in compliance with and has adopted the "Policy on Prevention of Sexual Harassment of Women at Workplace" and the said policy has been amended by the Board in their meeting held on 18 June 2020 and has also re-constituted an Internal Complaints Committee (ICC) for Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the related aspects. The constitution of ICC is as per the provisions of POSH and includes external Members from NGO or those individuals having relevant experience.

The Committee meets as and when required and provides a platform for female employees for registration of concerns and complaints, if any.

During the year under Review i.e. FY 2020-21, thirty two (32) meetings and twenty seven (27) awareness sessions were held across all manufacturing locations to discuss on strengthening the safety of employees at workplace. In addition, the awareness about the Policy and the provisions of Prevention of Sexual Harassment Act was also carried out in the said meetings. Further, as per the applicable provisions of POSH, the Company continues to submit Annual Report to the District Officer consisting of details as stipulated under the said Act.

Environment, Health, Safety

The Company focuses on "Safety Culture Building" by maintaining the "Safety Management System" to reduce the risk of incident and Injuries. This system includes safety rules, safety procedures, safety training, hazard identification, correction, Near miss incident Capturing and investigation, Safety Management System contribute, not only to improve the workplace Safety, but also to influence the organization Safety Culture.

Apart from the above, your Company has also performed below activities in Financial Year 2020-21 sincerely:

Boards' Report (Contd.)

1. Hazards identification and Risk assessment of Machine
2. Safety Gemba Audit and monitoring all critical Points
3. Fire Risk assessment
4. Regional Safety Meeting at all regions
5. KYT - Kiken Yochi Training (Identifying hazard and taking corrective measures with the help of actual users)
6. Hazards specific Safety training (Fire Fighting, First Aid, Electrical Safety, Chemical & Machine Safety & Evacuation Drill)
7. Prepared Safety manual for Standard Operating Procedures
8. Identified probable emergency and prepared Emergency Response Manual
9. Prepared & Updated KYT Manual
10. Comprehensive review / surveillance audit done as per ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health & Management system)
11. Surface treatment Duct Cleaning for all locations

From the last Four years, the Company also commenced the Fire Risk Assessment Audit for Tier-2 (53 Nos) Suppliers to reduce the fire related incident and achieved significant OK result, and also started the Safety Audit from last year for Tier-2 (9 Nos) suppliers to reduce the human injury and also monitoring the injury status, Delivered the awareness program to the suppliers related to Fire, Electrical and Fire Mock drill.

By ensuring all the above, zero accident level is maintained for last Four years. Induction programme & regular training of employees and the introduction of formal safety management system helps the Company to mitigate future incidents.

Transfer of Unpaid Dividend and Shares to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124(5), 125 and other applicable provisions of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), all unpaid or unclaimed Dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven (7) years from the date of transfer to Unclaimed/Unpaid Dividend Account of the Company.

Further, pursuant to provisions of Section 124(6) of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which Dividend has not been claimed or unpaid by the shareholders for seven (7) consecutive years or more shall also be transferred to the Demat account of IEPF Authority. The said provisions does not apply to shares in respect of which there is a specific Order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

Accordingly, the details relating to amount of Dividend transferred to the IEPF and corresponding shares on which Dividends were unclaimed for seven (7) consecutive years, are provided in the Report on Corporate Governance annexed to this Report

It may be noted that the due date for transfer into IEPF of the Unpaid/Unclaimed Dividend lying in the Unpaid Dividend Account of the Company which was declared on 22 August 2014 for the FY 2013-14 along with the underlying Equity Shares is 20 September 2021. Accordingly, concerned Shareholders are requested to kindly claim the Unpaid/unclaimed Dividend along with the underlying Shares. The Notice pursuant to the provisions of Section 124 of the Act read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 has been published in the newspapers on 6 June 2021 in the Financial Express (English- All Edition) and Jansatta (Hindi-Delhi), titled- ***"Transfer Of Unpaid/ Unclaimed Dividend And The Underlying Equity Shares To The Investor Education And Protection Fund (IEPF) Account"*** inviting the attention of the Shareholders to claim their Dividends along with the underlying Equity Shares and in this regard, the Company has also sent individual notices to the concerned Shareholders.

Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons (Code of Conduct)

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons [Pursuant to Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015]. This Code of Conduct is intended to prevent misuse of Unpublished Price Sensitive Information ("UPSI") by Designated Persons.

The said Code lays down guidelines, which advise Designated Persons and Insiders on the procedures to be followed and disclosures to be made in dealing

Boards' Report (Contd.)

with the shares of the Company and cautions them on consequences of non-compliances. This Code includes a Policy and Procedure for Inquiry in case of leakage of Unpublished Price Sensitive Information or suspected leakage of Unpublished Price Sensitive Information and is available for reference on the website of the Company i.e. www.lumaxworld.in/lumaxindustries.

Business Responsibility Report

A detailed Business Responsibility Report in terms of the provisions of Regulation 34 of the Listing Regulations is available as a separate section in the Annual Report.

Disclosure for Compliance of Secretarial Standards

The Company has complied with the Secretarial Standard-1 (Meetings of Board of Directors) and Secretarial Standard-2 (General Meetings) issued by the Institute of Company Secretaries of India.

Contribution to Exchequer

The Company is a regular payer of taxes and other duties to the Government. During the year under review, the Company paid all its statutory dues & presently no undisputed dues are outstanding for more than six months. The Company generally ensures payment of all dues to exchequer well within time line as applicable.

7. ACKNOWLEDGEMENT

The Board of Directors place on record their sincere gratitude and appreciation towards all its Stakeholders viz. shareholders, employees, investors, bankers, customers, suppliers, government agencies, stock exchanges and depositories, auditors, legal advisors, consultants, business associates, service providers, academic partners for their continued commitment and support. The Board conveys their deep sense of appreciation towards contributions made by every member of Lumax Family during the year and express a sincere thanks and gratefulness to its Technical & Financial Collaborator- Stanley Electric Co., Limited for their continued support and patronage throughout the year.

For and on behalf of the Board of Directors
Lumax Industries Limited

Deepak Jain

Chairman & Managing Director
DIN:00004972

Place: New Delhi
Date: 11 June 2021

Management Discussion and Analysis

ANNEXURE - A

Global Economy

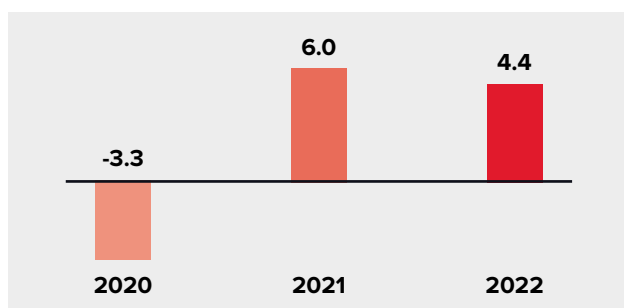
An already battered economy from 2019 was disrupted down to the ground in 2020 with the Covid-19 pandemic taking us all by surprise. Fortunately, Governments across the globe intervened and curbed its spread while also stimulating financial resources.

Towards the start of 2020, not many would have guessed that the pandemic would be fatal to life and economy alike. The prolonged restrictions, including social distancing, lockdowns, and quarantines, were necessary but worsened the economic situation globally.

Economic activities in several industries came to a temporary halt. The year under review witnessed a sharp deceleration in global growth with sluggish trade and poor investments affecting in varying degrees. As a result, the global economy contracted by 3.3% in 2020, more than over-throwing the expansion of 2.9% in 2019. Even as advanced economies shrunk by 4.9%, emerging markets and developing economies remained relatively resilient, reporting a de-growth of only 2.4%.

Despite the financial tremors, economies regained strength in the second half of the year on account of lesser restrictions, dip in Covid-19 cases, and stimuli announced by several Governments worldwide. The world Gross Domestic Product (GDP) growth is forecasted at 6% in 2021, and to moderate subsequently to 4.4% in 2022. This projection depends on trade viability as well as the hopes of additional fiscal support, expected from some Governments, coupled with the efficacy of the multiple vaccines being rolled out. However, further waves of the virus provide us a reason to maintain a cautious optimism.

Global GDP Growth



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021>)

Indian Economy

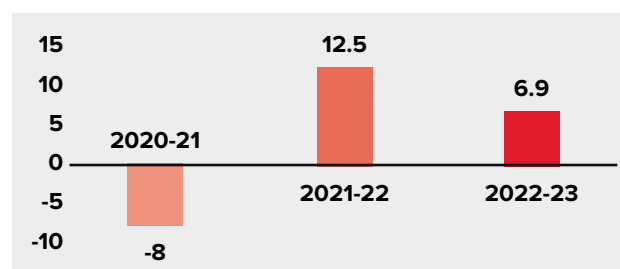
Having entered into a pandemic-induced recession, India's GDP fell by 8% points in 2020, as compared to rising by 4.2%

in 2019. This was on account of strict restrictions and the consequent decline in economic activity.

The Indian economy is showing early signs of a broad V-shaped recovery, owing to larger public stimulus spends, the revival of consumer confidence, robust financial markets and an uptick in manufacturing activity. Key factors that are expected to drive this rebound include normal monsoons, success in averting a full-fledged second wave of COVID, and discretionary spending staying unaffected by cost pressures. In its latest edition of World Economic Outlook published in April 2021, IMF said it expects India's GDP to grow 12.5% in FY 2021-22, the highest among emerging and advanced economies. GDP growth for FY23 is pegged at 6.9%.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021>)

Indian GDP Growth



(Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021>)

Indian Automobile Industry Overview

The Indian automobile sector is one of India's principal industrial catalysts, providing jobs to more than 35 Million people, directly or indirectly. It contributes approximately 7.1% to India's overall GDP and 49% to the manufacturing sector GDP. The Indian automotive sector comprises passenger vehicles, commercial vehicles as well as two and three-wheelers.

(Source: <https://www.investindia.gov.in/sector/automobile, auto.economictimes.indiatimes.com>)

The Indian auto industry was unarguably hampered due to the pandemic, so much that it was amongst the most severely affected sectors. The total vehicle production and sales witnessed a de-growth of 14%. During FY 2020-21, there was a de-growth in vehicle sales of all segments compared to the previous fiscal year. Passenger vehicles, with sales of 27.11 Lakhs units, was marginally lower by 2.24% Y-o-Y. There was a 13.19% decline in two-wheeler sales with 151.19 Lakhs units sold. Commercial vehicle sales contracted by 20.77% to 5.69 Lakhs units. Three-wheeler sales had a major impact, with sales falling 66.06% Y-o-Y, to 2.16 Lakhs units.

Management Discussion and Analysis (Contd.)

Annual Domestic Automobile Sales By Segment

	(No. in Thousands)				
	Apr-Mar				
	FY 18	FY 19	FY 20	FY 21	CAGR %
PVs	3,289	3,377	2,774	2,711	-6.2
CVs	857	1,007	718	569	-12.8
3Ws	636	701	637	216	-30.2
2Ws	20,200	21,180	17,416	15,119	-9.2

(Source: SIAM report titled 'Production, Domestic Sales and Exports Data for the FY 2020-21 (April 2020 to March 2021)'; published on 12 April 2021)

According to India Ratings and Research projections, in FY 2021-22, an 18-22% growth in the passenger vehicles segment, 25-30% in commercial vehicles, 16-20% in two-wheeler segment can be achieved. However, a sharp spike in metal (raw material) prices in recent times may impact margins. Sales in the industry are expected to rise on account of the changing customer preferences, away from ride-sharing and public transport (due to the pandemic), towards owning a vehicle.

(Source: https://www.business-standard.com/article/automobile/ind-ra-revises-outlook-of-auto-sector-to-improving-for-fy22-from-negative-121031201108_1.html)

Indian Automotive Components Sector Overview

The Indian auto-components industry comprises various product segments, such as lighting, lamps, fasteners, castings, suspension and braking parts, valves, steering parts, engine parts, electrical, weather strips, forgings, pistons, carburetors, axles, clutches, gaskets, chassis, and shock absorbers among others.

The industry has experienced a healthy growth over the last few years, expanding at a CAGR of 6% from FY 2015-16 to FY 2019-20 to reach USD 49.3 Billion in FY 2019-20. The Industry is expected to reach USD 200 Billion by FY 26. The auto-components industry accounts for 2.3% of India's GDP and employs as many as 1.5 Million people directly and indirectly. In November 2020, the Union Cabinet announced a fund of ₹57,042 Crore for the auto and auto-components industry, under the PLI scheme to be disbursed over a five-year outlay. Automobile components' export from India are expected to grow at 23.9 % annually to reach USD 80.00 Billion by FY 26. India's export of auto components increased at a CAGR of 7.6% between FY 2015-16 and FY 2019-20, as the value increased from USD 10.83 Billion in FY 2015-16 to USD 14.5 Billion in FY 2019-20, and exports are expected to comprise 26% of the industry by 2021 end.

(Source: <https://www.ibef.org/industry/autocomponents-india.aspx>)

Indian Automotive Lighting Industry

Lighting is a crucial component in automotive vehicles, being directly linked to safety. Natural weather conditions, such as rain, fog, dust, and snow can lead to road mishaps, and quality lighting can save the day. Governments worldwide are taking initiatives to spread awareness on safe driving, and automotive lighting is one of the key factors in that course. The Indian Automotive Lighting Industry offers a wide range of products, such as headlights, tail lights, accessory lights, LEDs, fog lights, emergency and warning lights, off-road lights, and signal lights, in contemporary vehicles. Apart from the safety aspect, automotive lighting improves the aesthetic appearance of a vehicle, which makes it a popular accessory among millennials.

Growing concerns over vehicle safety and strict Government regulations have spurred technical innovations around the automotive lighting market. Additionally, the growing population and increase in purchasing power across the developing world might rehash lucrative opportunities in this space.

Industry Outlook

The industry has come a long way since the zero sales of April 2020 (national lockdown days). The partnership between the government and Industry has played a key role in coming out of these uncharted times. Timely re-opening of manufacturing plants, favourable monetary policies and government support packages for farmers has further supported demand revival. Preference towards personal mobility during covid, traction in rural markets, pent-up demand are some of the factors that were the growth engines of the automotive industry during the period.

The capex announcements from Indian and global players in both greenfield and brownfield will drive the momentum for the industry in the medium term, specifically in the areas of EV ecosystem and Auto Electronics. Further Production Linked Incentives for Auto will drive localisation in the country and contribute to India's emergence as a global manufacturing hub. And lastly, aggressive vaccination drives along with stringent regional lockdowns are expected to reduce the covid caseload and restore the economy again.

Key Growth Drivers

Rising Income Levels

Car penetration in India is low compared to other economies. Currently, India has a ratio of just 22 cars per thousand individuals.

Rising income levels would lead to an exponential growth in discretionary spending, which could further catalyze the automotive penetration domestically, with a special prospect for growth in passenger vehicles' industry.

Management Discussion and Analysis (Contd.)

(Source: <https://auto.economictimes.indiatimes.com/news/passenger-vehicle/cars/india-has-22-cars-per-1000-individuals-amitabh-kant/67059021>)

Road Infrastructure

Road transportation has gradually increased over the years with improved connectivity between cities, towns and villages in the country. In the Union Budget 2021, an investment of ₹1,18,101 Crore (USD 16.20 Billion) has been allocated towards the road transport and highway sector, which could boost the automotive sector growth.

Opportunities

Shifting Preference Towards LEDs

LED lamps have become a preferred choice over Halogen lamps. Despite higher prices, Original Equipment Manufacturers (OEMs) are willing to shift to LED lamps, as they are more efficient, and improve the style and appearance of vehicles. The increasing adoption of LEDs by famous OEMs presents tremendous opportunities for Lumax. It is mainly because manufacturing LEDs requires significant technical expertise, and Lumax gets the desired support from Stanley. Further, LEDs are prospective high-margin products for the Company.

Shift in Manufacturing from China to India

There's a shift in allegiance from China to India post COVID-19. Trade bans, border clashes, and ban on Chinese mobile applications are some of the proofs. We believe India will be the biggest beneficiary of this, owing to surplus availability of labor, suitable manufacturing conditions, low-wage costs, and abundance of raw materials.

Electric Vehicles (EVs)

The EV market in India is expected to register a CAGR of 44% between 2020 and 2027. It is expected to hit 6.34 Million-unit annual sales by 2027. The EV industry is projected to create huge direct and indirect job opportunities by 2030. The growth in EVs will help expand the automobile industry, and in a way, benefit Lumax due to transition to LEDs.

(Source: <https://auto.economictimes.indiatimes.com/news/industry/electric-vehicle-market-in-india-expected-to-hit-63-lakh-units-per-annum-mark-by-2027-iesa/79878253>)

Threats

More COVID-19 Waves

A third wave of the virus could adversely affect the demand trends in the domestic automobile industry, due to lower discretionary spending.

Business Overview

Lumax Industries Limited ('The Company' or 'Lumax') is the flagship company of the DK Jain Group. Over the past 70 years, Lumax has evolved as the market leader of automobile lighting in the Indian automotive industry. In 1984, the Company entered into a technical collaboration with Stanley Electric Co. Limited (SECL), Japan, which currently holds 35.77% equity stake, as a co-promoter, in the Company. Lumax offers a bouquet of automobile lighting systems and solutions, comprising complete lighting solutions for front and rear (head lamps and tail lamps), sundry and auxiliary lamps, among other lighting-related products. It also makes accessories for four-wheelers, two and three-wheelers, trucks, buses, tractors, farm equipment, and for various other diverse applications. Lumax has 10 manufacturing facilities spread across 5 states in India.

Operational and Financial Overview

Standalone:

The year under review was a challenging year on account of Covid-19. The first quarter observed a dry spell, marked by negligible revenue. However, the second quarter registered slight recovery, and during the third and the fourth quarter, the charts forecasted a 'V-shaped' recovery, which not only followed but also compensated for the majority of the losses suffered in the preceding quarters. During the year under review, the Company achieved revenue of ₹1,42,598.07 Lakhs, registering a decline of 10.96% from the last financial year.

For the FY 2020-21, the profit before tax (PBT) stood at ₹3,151.98 Lakhs as compared to ₹8,195.26 Lakhs in the last year. The Profit after Tax (PAT) stood at ₹1,703.85 Lakhs as compared to ₹7,230.69 Lakhs in the last year. The Total Comprehensive Income declined to ₹1,830.39 Lakhs as against ₹7,136.31 Lakhs in the last year.

Consolidated:

At the consolidated level, the Revenue from Operations declined by 10.96%, whereas the Profit before tax (PBT) and Profit after tax (PAT) for the Period stood at ₹3,306.07 Lakhs and ₹1,815.23 Lakhs respectively. The Total Comprehensive Income stood at ₹1,957.35 Lakhs.

Details of Key Financial Ratios

Debtors Turnover (Avg)	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	10.91	7.78	(29)%

Reason: Lower Sales in March 2020 due to Covid-19

Management Discussion and Analysis (Contd.)

Inventory Turnover	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	5.49	4.06	(26)%

Reason: Negligible Sales in Q1 of FY 2020-21.

Interest Coverage Ratio	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	4.74	2.11	(56)%

Reason: Increase in working capital utilisation due to lower sales/profitability on account of COVID-19.

Current Ratio	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	0.59	0.64	9%

Reason: There is no significant change

Debt Equity Ratio (long term debt)	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	0.14	0.00	(100)%

Reason: Decrease in long-term borrowings

Creditor T/O ratio	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	3.68	2.84	(23)%

Reason: Less Purchase in March 2020 due to Covid-19.

Operating Profit Margin (%)	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	6.45	4.13	(36)%

Reason: COVID-19 impacted the sales resulting in lower profitability.

Net Profit Margin (%)	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	4.49	1.17	(74)%

Reason: COVID-19 impacted the sales resulting in lower profitability.

Return on Net Worth	FY 2019-20	FY 2020-21	Change in %
Based on year closing data	18.81	4.29	(77)%

Reason: COVID-19 impacted the revenue resulting in lower profitability and net worth.

Key Risks and Mitigation Strategies

The objective of risk management activities is to recognize, assess, and manage risks early on, and to implement appropriate measures to mitigate them. Risk management at Lumax is a continuous process of analyzing and managing all the risks posed to the business.

Risk	Impacts	Mitigation
Competition risk	Rise in competition could negatively impact our market share, margin profile, and return on capital employed.	Being the market leader, our technological expertise, strategic alliances, and long-standing customer relationships help us to mitigate this risk.
Foreign currency exchange rate risk	2.65% of our revenue comes from exports and 19.07% of our raw material comes from imports.	We mitigate this risk by way of our robust foreign exchange hedge mechanism and systems. Further, there is back to back arrangement for compensation from most of the customers.
Raw material price risk	India's Wholesale Price Index inflation hit an eight-year high at 7.39% in March 2021. Any further increase in steel prices could adversely impact our margin profile.	The Company has various ongoing improvement initiatives, on cost optimisation, product localisation, supply chain efficiency improvement and material yield improvement. Furthermore, by commanding pricing power with customers, we are most often able to pass on any raw material price increases. The backward integration into the PCB business helps us to further mitigate this risk.
Labor disputes risk	Industrial disputes lead to industrial action, which impacts our ability to meet clients' demand.	We maintain an open and positive relationship with all employees, subcontractors, workers, and others with constant and continuous communication.
Customer concentration risk	Top 3 customers account for 50% of total revenue.	We mitigate this risk by strengthening customer relationships, increasing wallet share, and adding new clients.

Management Discussion and Analysis (Contd.)

Internal Control Systems and Their Adequacy

The Company maintains an adequate and synchronized system of internal controls. It strictly adheres to various procedures, laws, rules, and statutes. Keeping the nature and business complexity of operations in mind, periodic risk assessment, mitigation and monitoring is done to ensure operational efficiency. The Company's independent auditors carry out internal audit ensuring proper recording and reporting. In case of discrepancies, the issue is immediately reported to the management and audit committee for timely correction. The Company's comprehensive IT system assures the safety of sensitive data and ease in audit processing. Accounting standards are strictly followed at the time of recording transactions. The MIS on the other hand, strengthens the real-time reporting and assists in controlling the expenses. The variance in the actual and budgeted allocation are promptly reported and corrected to ensure strict compliance.

Human Resources

Our human resources' wing functions dually by creating a safe and engaging work environment while enhancing productivity. As part of this plan, security is of utmost priority, not only inside the organization but also externally, with our suppliers, especially from Tier 2 cities.

Out of our 53 suppliers, 32 fall in the 'OK' category as per MSIL Safety Check sheet. We organize relevant training programs focused on effective personal productivity for the senior management.

A structured leadership-development initiative has helped us decorate our robust talent pipeline with qualified professionals

at all levels. Our HR department is well-geared to promote retention of talented employees with an ecosystem that provides long-cycle professional development opportunities.

The management believes in teamwork and a corporate environment that is self-motivating. Over the time, we have successfully developed a well-motivated workforce, by imparting training, rewarding superior performance, and building a creative workplace. We will continue to remain focused on being the employer of choice, building an inclusive culture, a strong talent pipeline and capabilities in the organization. As always, we will continue to focus on drafting progressive employee-relation policies. Accordingly, our HR policies are centered around creating an environment that attracts, nurtures, and rewards high-caliber talent.

As on 31 March 2021 a total of 2,493 employees were on the Company's payroll.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing your Company's projections, estimates and expectations may be interpreted as "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to its operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets in which it operates, changes in Government regulations, tax laws, and other statutes. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on any subsequent development, information, or events.

Corporate Governance Report

[Pursuant to Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

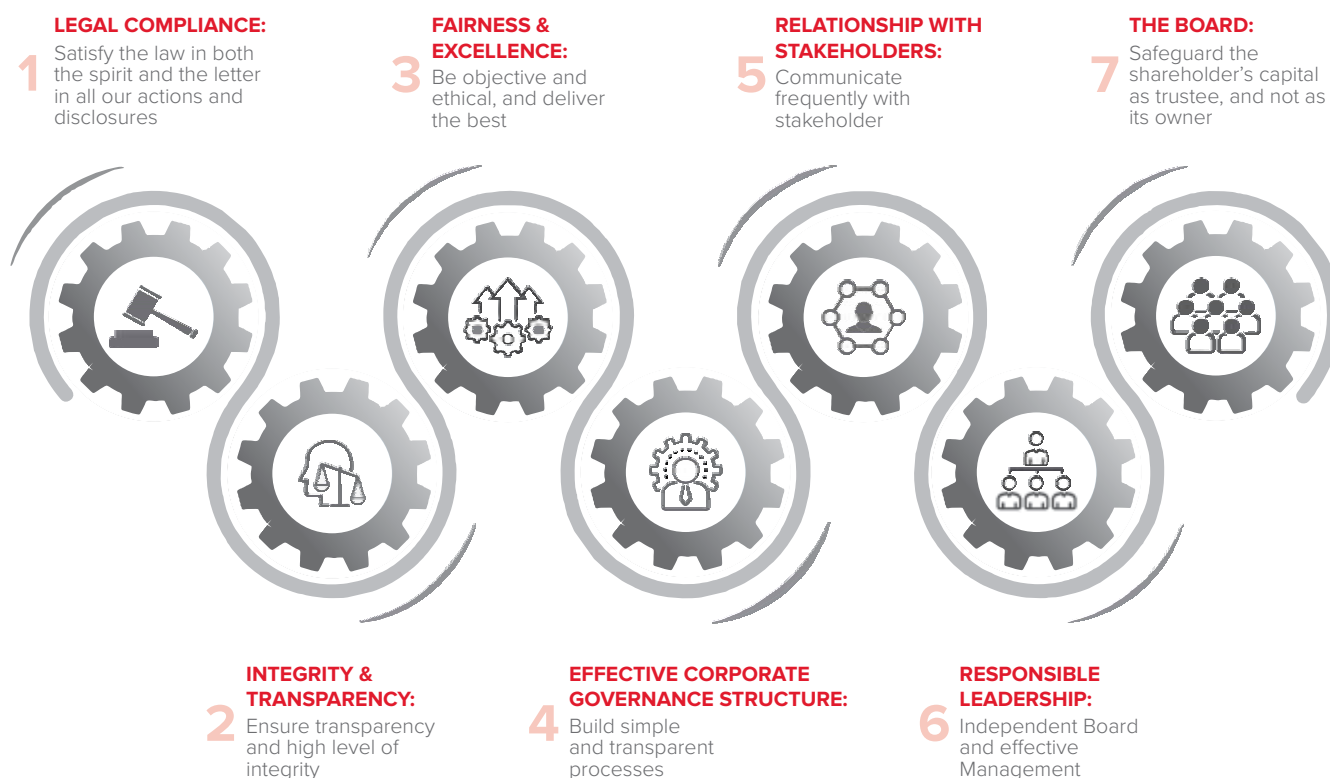
1. BRIEF STATEMENT OF COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term.

Your Company's philosophy on Corporate Governance is aimed at optimizing the balance between stakeholders' interests and corporate goals through the efficient conduct of its business and meeting obligations in a manner that is guided by transparency, accountability and integrity. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At LIL, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and in compliance with applicable legislations.

We consider stakeholders as partners in our success and are committed to maximizing stakeholder's value, be it shareholders, employees, customers, vendors, governments or the community at large. We believe that following global practices, transparent disclosures and empowerment of stakeholders are as necessary as delivering solid financial results, for creating and sustaining value for shareholders and meeting expectations of customers and society.

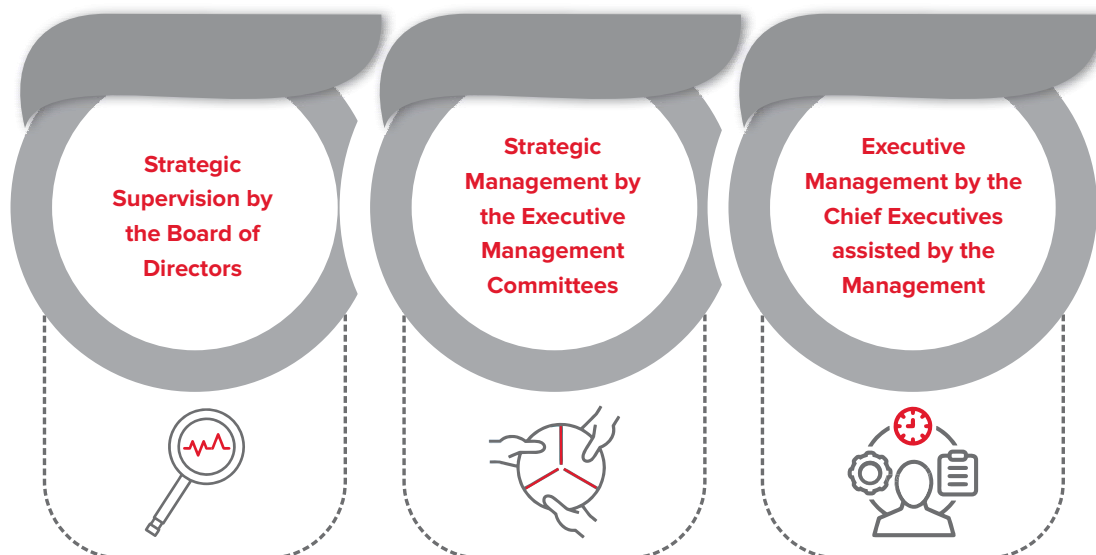
LIL's Corporate Governance system provides a fundamental framework to execute its business in line with business ethics. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of the Company. LIL not only adheres to the prescribed Corporate Governance Practices as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") but is also committed to sound Corporate Governance principles and practices. Your Company takes proactive approach and revisits its governance practices from time to time so as to meet business and regulatory needs. The Company has ensured stability in a dynamic environment and in challenging times.



ANNEXURE - B (Contd.)

THE CORPORATE GOVERNANCE STRUCTURE

The practice of Corporate Governance in LIL takes place at three interlinked levels



2. BOARD OF DIRECTORS ("BOARD")

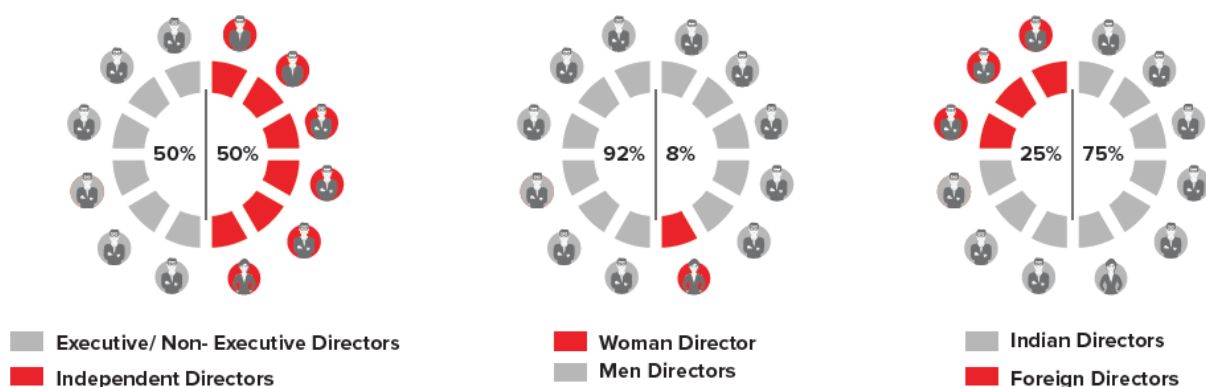
The Board is at the core of the Company's Corporate Governance practices and oversees how the Management serves and protects the long-term interests of all the shareholders. The Board is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of shareholders and other stakeholders.

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. Your Company is managed and guided by a professional Board comprising Executive, Non-Executive and Independent Directors. The Board critically evaluates Company's strategic direction, management policies and their effectiveness.

Composition and Category of Board

At Lumax, the Board has an appropriate mix of Executive and Non-Executive Directors to maintain its independence. The Board members have in-depth knowledge of Business, in addition to the expertise in their areas of specialization.

As on 31 March 2021, the Board comprised of twelve (12) Directors, out of which, five (5) Directors are Executive Directors including the Chairman & Managing Director, one (1) Non-Executive Director and six (6) Non-Executive Independent Directors, including one (1) Woman Independent Director, which constitutes 50% of Board Strength. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Act read with the Rules issued thereunder and is explained as below:



Category of Board of Directors

S. No.	Name of Directors	Category
A.	PROMOTER	
1.	Mr. Deepak Jain	Chairman & Managing Director
2.	Mr. Anmol Jain	Joint Managing Director
B.	NON- PROMOTER	
3.	Mr. Vineet Sahni	CEO & Senior Executive Director
4.	Mr. Tadayoshi Aoki	Senior Executive Director
5.	Mr. Kenjiro Nakazono ¹	Executive Director
6.	Mr. Toru Tanabe	Non-Executive Director
7.	Mr. Avinash Parkash Gandhi	Independent Director
8.	Mr. Dhiraj Dhar Gupta	Independent Director
9.	Mr. Rattan Kapur	Independent Director
10.	Mr. Rajeev Kapoor	Independent Director
11.	Mrs. Ritika Modi	Independent Director
12.	Mr. Vikrampati Singhania ²	Independent Director

Note:

1. Mr. Koji Sawada had resigned from the Board of Directors of the Company w.e.f. 18 June 2020 and Mr. Kenjiro Nakazono was appointed as an Additional Director and Whole Time Director (Executive Director) in the Board Meeting held on 18 June 2020 and the said appointment was approved by the Shareholders in the AGM held on 28 August 2020.
2. Mr. Munish Chandra Gupta had resigned from the Board of Directors of the Company w.e.f. 4 December 2020 and Mr. Vikrampati Singhania was appointed as an Additional Director and Non-Executive Independent Director in the Board Meeting held on 11 February 2021. His appointment has now been recommended for the approval of the Shareholders in the ensuing AGM of the Company to be appointed as an Non- Executive Independent Director of the Company.

Role of Chairman and Managing Director (“CMD”)

Mr. Deepak Jain, the CMD of the Company presides over the Meetings of the Board and Shareholders of the Company. He is primarily responsible for setting and implementing the Company's direction and strategy under superintendence, direction and control of Board. The CMD actively oversees the functioning of the Company and ensures that all the matters needed to be considered by the Board are in fact brought before it and understands the views of all the Board Members.

Role of Joint Managing Director (“JMD”)

Mr. Anmol Jain is acting as a JMD of the Company and owing to the rich experience, he is primarily responsible for monitoring operations, management and supply chain systems in the Company. He along with CMD ensures successful implementation of Company's strategy and directions set by the Board for execution by the Management from time to time.

Role of CEO & Senior Executive Director (“CEO & SED”)

Mr. Vineet Sahni is presently the CEO & SED on the Board of the Company and has been entrusted with the responsibility of day to day and overall management of affairs of the Company both internally and externally viz. achieving annual business targets and budgetary targets, execution of long-term business plans, opportunities of expansion/acquisitions, promotion of business and industry etc.

Independent Directors

The Company has on its Board, eminent Independent Directors who have brought in independent judgement to Board's deliberation including issues of strategy, risk management and overall governance. They play a pivotal role in safeguarding the interests of all stakeholders.

The Independent Directors have submitted declarations that they meet the criteria of independence laid down under the Act and Regulation 16 (1)(b) of the Listing Regulations and have confirmed that they do not hold Directorships more than the prescribed limits.

Further, as per Regulation 17(A) (1) of Listing Regulations, no Independent Director is a director in more than seven listed companies and as per Regulation 17 (A) (2) of Listing Regulations, no Director who is a Wholtime Director / Managing Director in any listed Company serves as an Independent director in not more than three listed entities. Further no Director is a member in more than 10 committees nor acts as a chairperson of more than 5 committees in terms of Regulation 26(1) of Listing Regulations.

ANNEXURE - B (Contd.)

Details of other Directorships and Chairmanship/Membership of Committees of each Director in various Companies for the Financial Year ending on 31 March 2021 including the Names of the Listed Entities and the Category of Directorship therein

S. No.	Name of the Director	DIN	Category (Chairperson/ Executive/ Non-Executive/ Independent/ Nominee)	No. of Directorship in listed entities including this listed entity	No. of Independent Directorship in listed entities including this listed entity	No. of memberships in Audit/ Stakeholder Committee (s) including this listed entity#	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity	Name of other Listed Entity and Category of Directorship
1	Mr. Deepak Jain	00004972	Chairman and Managing Director	3	1	3	1	<ul style="list-style-type: none"> Lumax Auto Technologies Limited (Non-Executive Director) RSWM Limited (Non-Executive Independent Director)
2	Mr. Anmol Jain	00004993	Joint Managing Director	2	0	1	0	<ul style="list-style-type: none"> Lumax Auto Technologies Limited (Managing Director)
3	Mr. Vineet Sahni	03616096	Chief Executive Officer and Senior Executive Director	1	0	0	0	-
4	Mr. Tadayoshi Aoki	08053387	Senior Executive Director	1	0	2	0	-
5	Mr. Kenjiro Nakazono	08753913	Executive Director	1	0	0	0	-
6	Mr. Toru Tanabe	06883767	Non-Executive Director	1	0	0	0	-
7	Mr. Avinash Parkash Gandhi	00161107	Independent Director	5	5	10	2	<ul style="list-style-type: none"> Lumax Auto Technologies Limited (Independent Director) Schaeffler India Limited (Independent Director) Minda Corporation Limited (Independent Director) Action Construction Equipment Limited (Independent Director)
8	Mr. Rattan Kapur	00304573	Independent Director	1	1	1	0	-
9	Mr. Dhiraj Dhar Gupta	01089718	Independent Director	1	1	2	1	-
10	Mr. Rajeev Kapoor	02051466	Independent Director	2	2	2	0	<ul style="list-style-type: none"> Rico Auto Industries Limited (Non-Executive Independent Director)
11	Mrs. Ritika Modi	00463560	Independent Director	1	1	0	0	-
12	Mr. Vikrampati Singhania	00040659	Independent Director	2	1	1	0	<ul style="list-style-type: none"> JK Agri Genetics Limited (Managing Director)

As required under Regulation 26 of Listing Regulations, the disclosure includes chairmanships/memberships of the Audit Committee and Share Transfer/Stakeholders' Relationship Committee.

Disclosure of relationships between Directors inter-se;

S. No.	Name of the Directors	Relationship Inter-se
1.	Mr. Deepak Jain	Related as Brother to Mr. Anmol Jain
2.	Mr. Anmol Jain	Related as Brother to Mr. Deepak Jain
3.	Mr. Vineet Sahni	Not related to any Director
4.	Mr. Tadayoshi Aoki	Related to Nominee Directors of Stanley Electric Co. Limited
5.	Mr. Kenjiro Nakazono	Related to Nominee Directors of Stanley Electric Co. Limited
6.	Mr. Toru Tanabe	Related to Nominee Directors of Stanley Electric Co. Limited
7.	Mr. Avinash Parkash Gandhi	Not related to any Director
8.	Mr. Rattan Kapur	Not related to any Director
9.	Mr. Dhiraj Dhar Gupta	Not related to any Director
10.	Mr. Rajeev Kapoor	Not related to any Director
11.	Mrs. Ritika Modi	Not related to any Director
12.	Mr. Vikrampati Singhania	Not related to any Director

Key Skills/Expertise/Competencies of Board of Directors

In accordance with Regulation 34 (3) read with Para C of Schedule V of the Listing Regulations, the Board have identified required set of skills, expertise and competencies in context of Company's business and sector in which it is operating to function effectively and those actually available with the Board. Accordingly, the below table represents Key Skills/Expertise/Competencies considered desirable for the Board of the Company:

Knowledge of Automobile/ Auto Component Sector	Understanding of industry and organizations involved in design, development, manufacturing, marketing and selling of automobiles and auto components.
Understanding of Government legislation/ legislative process	Awareness of general framework of principles within which the Government is expected to act and within which regulations are issued.
Finance & Accounting	Understanding of financial statements, transactions, financial reporting process and financial controls and management of assets and liabilities.
Corporate Laws and Governance	Understanding of Corporate rules, processes or laws by which businesses are operated, regulated or controlled.
Sales & Marketing	Development of strategies to grow market share and experience of operations and activities in global front across various geographical markets and industry verticals.
Human Resource Management	Understanding of managing people and work culture of the organization.
Information Technology	Ability to understand and appreciate the importance and robust use of Information technology in various aspects of business.
Risk Management	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.
Strategy Development and Implementation	Appreciation of long-term trends, strategic choices and actions to reach long term goals, identification of approaches to put plans to action and monitoring of same.
Stakeholder Relationships	Experience in building and nurturing relationships with key stakeholders viz. shareholders, customers, employees, bankers, government/semi-government authorities and fulfilment of commitment towards them.
Proximity to Social Issues	Ability to analyse and understand impact of social issues and suggest measures to address them.

ANNEXURE - B (Contd.)

Further, the Skill Matrix is enclosed herein:

AREA OF EXPERTISE												
Sr. No.	Name of Director	Knowledge of Automobile/Auto Component Sector	Understanding of Government legislation/legislative process	Finance & Accounting	Corporate Laws and Governance	Sales & Marketing	Human Resource Management	Information Technology	Risk Management	Strategy Development and Implementation	Stakeholder Relationships	Proximity to Social Issues
1	Mr. Deepak Jain	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Mr. Anmol Jain	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Mr. Vineet Sahni	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Mr. Toru Tanabe	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Mr. Tadayoshi Aoki	Y	N	Y	Y	Y	Y	N	Y	Y	Y	Y
6	Mr. Kenjiro Nakazono	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Mr. Avinash Parkash Gandhi	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Mr. Rattan Kapur	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Mr. Dhiraj Dhar Gupta	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Mr. Rajeev Kapoor	Y	Y	Y	N	Y	Y	N	Y	Y	N	Y
11	Mrs. Ritika Modi	Y	N	Y	Y	Y	Y	Y	N	Y	N	Y
12	Mr. Vikrampati Singhania	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

Y Yes N No

Confirmation that in opinion of the Board, the Independent Directors fulfil the conditions specified in Listing regulations and are independent from the Management

Based on the declarations/disclosures/intimations received from the Independent Directors, as prescribed under the Act and Listing Regulations, the Board confirm that in their opinion, the Independent Directors fulfil the conditions of independence as specified in Listing Regulations and are independent from the management of the Company.

Detailed reason for the resignation of an Independent Director who resigns before expiry of tenure along with confirmation by such Director that there are no material reasons

During the year under review, Mr. Munish Chandra Gupta who had been associated with the Company since 19 June 2007, had resigned from the position of the Non-Executive Independent Director of the Company with effect from 4 December 2020 due to his other preoccupations coupled with rising expectations from Corporate Directors. He confirmed that there are no other material reasons.

Number of shares and convertible instruments held by Non-Executive Directors:

During the year under review, none of the Non-Executive Directors held any shares in the Company.

3. BOARD MEETINGS – PROCEDURES AND FLOW OF INFORMATION

The Meetings of the Board of Directors are scheduled well in advance and generally held at the Company's Corporate Office in Gurugram and all the necessary information and documents as required under Regulation 17(7) read with Schedule

ANNEXURE - B (Contd.)

Part A of the Listing Regulations pertaining to the Meetings are made available to Board of Directors. Senior Executives / Management Team and Statutory Auditors of the Company are invited to attend Meetings of the Board and Committees, to make presentations covering Finance, Sales, major business segments and operations of the Company, all business areas of the Company including business opportunities, business strategy and the risk management practices and Internal Audit issues and provide clarifications as and when required. The Board meets at least once a quarter to review the quarterly performance and approve the financial results.

During the period under review, due to the spread of Pandemic COVID 19 and keeping in view the social distancing norms, most of the Board Meetings were held through Video Conferencing.

The Act read with the relevant rules made thereunder, facilitates the participation of a Director in the Board/ Committee meetings through video conferencing or other audio-visual means. Accordingly, the Directors who wish to participate in the Meetings through video conferencing were permitted and the video conferencing facilities were made available to them.

The Agenda for the Meetings of the Board and its Committees are circulated well in advance, as per the Secretarial Standards issued by the Institute of Company Secretaries of India, to the Directors to ensure sufficient time is provided to prepare for the Meetings. In the path of digitization and with a view to ensure its commitment to Go-Green initiative of the Government, most of the times the Company circulates, to its Directors, notes to Agenda for Board/ Committee Meetings through an electronic platform thereby ensuring high standards of security and confidentiality of Board papers.

Attendance Record of Directors at Board Meetings & last AGM (AGM)

During the Financial Year under review, the Board met Six (6) times and the Attendance Record of Directors in Board Meeting and AGM for the Financial Year are tabulated below:

S. No.	Name of the Directors	Board Meetings						AGM
		29 May 2020	18 June 2020	12 August 2020	9 November 2020	11 February 2021	26 March 2021	28 August 2020
1.	Mr. Deepak Jain	📺	📺	📺	📺	✓	✓	📺
2.	Mr. Anmol Jain	📺	📺	📺	📺	✓	📺	📺
3.	Mr. Vineet Sahni	📺	📺	📺	📺	✓	✓	📺
4.	Mr. Tadayoshi Aoki	📺	📺	📺	📺	✓	📺	📺
5.	Mr. Koji Sawada*	📺	📺	N.A	N.A	N.A	N.A	N.A
6.	Mr. Kenjiro Nakazono**	N.A	N.A	📺	📺	✓	📺	📺
7.	Mr. Toru Tanabe	×	📺	×	×	×	×	×
8.	Mr. Avinash Parkash Gandhi	📺	📺	📺	📺	📺	📺	📺
9.	Mr. Munish Chandra Gupta*	📺	📺	📺	📺	N.A	N.A	📺
10.	Mr. Dhiraj Dhar Gupta	📺	📺	📺	📺	✓	📺	📺
11.	Mr. Rattan Kapur	📺	📺	📺	📺	✓	📺	📺
12.	Mr. Rajeev Kapoor	📺	📺	📺	📺	📺	📺	×
13.	Mrs. Ritika Modi	📺	📺	📺	×	✓	📺	📺
14.	Mr. Vikrampati Singhania**	N.A	N.A	N.A	N.A	✓	📺	N.A

✓ Present × Absent 📺 Attended through Video Conferencing N.A. Not Applicable

Note: *Resigned during the year. ** Appointed during the year.

Number of Board Meetings held and the dates on which held

The Board met Six (6) times during the FY 2020-21. The intervening period between two Board Meetings was well within the maximum time gap of 120 days, as prescribed under Listing Regulations. The dates on which Board Meetings were held during the year were as under:-

ANNEXURE - B (Contd.)

S. No.	Date of Board Meetings	Board's Strength	No. of Directors Present
1.	29 May 2020	12	11
2.	18 June 2020	12	12
3.	12 August 2020	12	11
4.	9 November 2020	12	10
5.	11 February 2021	12	11
6.	26 March 2021	12	11

Meeting of Independent Directors

In accordance with Section 149 (7) of the Act read with Para VII (f) of Schedule IV of the Act and Regulation 25 of Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on 1 March 2021, without the presence of Non-Independent Directors and Members of the management, to review the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive, Non-Executive and Non-Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Web link where details of familiarization program imparted to Independent Directors is disclosed

The Company periodically provides orientation and business overview to its Directors by way of detailed presentations. Such meetings/programs include briefings on the culture, values, business model, domestic and global business of the Company, the roles and responsibilities of Directors and senior executives. Besides these, the Directors are regularly updated about Company's new projects, R&D initiatives, changes in regulatory environment and strategic direction.

The Independent Directors are provided with all the documents/reports/policies sought by them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. 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 such Familiarization Program for Independent Directors are posted on the website of the Company and the web link of the same is provided here under:

<https://www.lumaxworld.in/lumaxindustries/corporate-governance.html>

4. COMMITTEES OF THE BOARD

As on 31 March 2021, the Board has constituted four (4) statutory committees which have been mandated under the provisions of Companies Act, 2013 and Listing Regulations. Every Committee has an important role to play within terms of its reference. The process and procedure related to the Board Meetings are also applicable and followed in the Committee Meetings.

Audit Committee**Brief Description of terms of reference**

The Audit Committee has been duly constituted as per Section 177 of the Act and Regulation 18 of the Listing Regulations. The Audit Committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The role of Audit Committee as enshrined 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 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 Act;
 - changes, if any, in accounting policies and practices and reasons for the same;

ANNEXURE - B (Contd.)

- 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 utilization 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;
- (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.
- (xxii) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders.

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;
- (v) the appointment, removal and terms of remuneration of the internal auditor.
- (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.

ANNEXURE - B (Contd.)

Composition, Name of Members and Chairperson

During the year under review, the Audit Committee comprised of Seven (7) Members including Five (5) Non-Executive Independent Directors.

S. No.	Name of the Directors	Status	Category of membership
1.	Mr. Avinash Parkash Gandhi	Chairman	Non-Executive Independent Director
2.	Mr. Munish Chandra Gupta	Member	Non-Executive Independent Director
3.	Mr. Dhiraj Dhar Gupta	Member	Non-Executive Independent Director
4.	Mr. Rattan Kapur	Member	Non-Executive Independent Director
5.	Mr. Rajeev Kapoor	Member	Non-Executive Independent Director
6.	Mr. Deepak Jain	Member	Chairman & Managing Director
7.	Mr. Tadayoshi Aoki	Member	Senior Executive Director

Mr. Munish Chandra Gupta resigned from the Board w.e.f. 4 December 2020 and thereafter the Audit Committee was reconstituted.

As on 31 March 2021, the Audit Committee comprised of Six (6) Members including Four (4) Non-Executive Independent Directors. The Composition of the Audit Committee as on 31 March 2021 was as follows:

S. No.	Name of the Directors	Status	Category of membership
1.	Mr. Avinash Parkash Gandhi	Chairman	Non-Executive Independent Director
2.	Mr. Dhiraj Dhar Gupta	Member	Non-Executive Independent Director
3.	Mr. Rattan Kapur	Member	Non-Executive Independent Director
4.	Mr. Rajeev Kapoor	Member	Non-Executive Independent Director
5.	Mr. Deepak Jain	Member	Chairman & Managing Director
6.	Mr. Tadayoshi Aoki	Member	Senior Executive Director

Meetings and Attendance

The Audit Committee met Six (6) times during the Financial Year ended 31 March 2021. The details of Meetings held and attendances of Directors in those Meetings are tabulated as under:

S. No.	Name of the Directors	Details Audit Committee Meetings						Number of Meetings Attended
		29 May 2020	18 June 2020	12 August 2020	9 November 2020	11 February 2021	1 March 2021	
1.	Mr. Avinash Parkash Gandhi	📺	📺	📺	📺	📺	📺	6
2.	Mr. Munish Chandra Gupta	📺	📺	📺	📺	N.A	N.A	4
3.	Mr. Dhiraj Dhar Gupta	📺	📺	📺	📺	✓	📺	6
4.	Mr. Rattan Kapur	📺	📺	📺	📺	✓	📺	6
5.	Mr. Rajeev Kapoor	📺	📺	📺	📺	📺	📺	6
6.	Mr. Deepak Jain	📺	📺	📺	📺	✓	×	5
7.	Mr. Tadayoshi Aoki	📺	📺	📺	📺	✓	×	5

✓ Present × Absent 📺 Attended through Video Conferencing N.A. Not Applicable

The Internal Auditors of the Company report the findings of internal audits directly to the Audit Committee. The Statutory Auditors, Finance Head are invitees to the Audit Committee Meetings as and when required. The Company Secretary acts as the Secretary to the Audit Committee.

Nomination And Remuneration Committee.
Brief Description of terms of reference

The Nomination and Remuneration Committee has been duly constituted in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations and its terms of reference is in compliance with the governing provisions of the Act and Listing Regulations. The role of the Nomination and Remuneration Committee is in line with those specified in Part D of the Schedule II of the Listing Regulations and is as follows:

- (i) 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;
- (ii) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (iii) Devising a policy on diversity of Board of Directors;
- (iv) 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.
- (v) 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.
- (vi) Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- (vii) Undertake any other matters as may be prescribed by Board from time to time

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

Composition, Name of Members and Chairperson

The Nomination and Remuneration Committee comprises of Three (3) Directors as its Members. All the Members of the Committee are Non-Executive Independent Directors and have sound knowledge of management practices. The Chairman of the Committee is a Non-Executive Independent Director. The Composition of the Nomination and Remuneration Committee as on 31 March 2021 is given as below:

S. No.	Name of the Directors	Status	Category of membership
1.	Mr. Rattan Kapur	Chairman	Non-Executive Independent Director
2.	Mr. Avinash Parkash Gandhi	Member	Non-Executive Independent Director
3.	Mr. Dhiraj Dhar Gupta	Member	Non-Executive Independent Director

Meetings and Attendance

The Nomination & Remuneration Committee had met Four (4) times during the Financial Year 2020-21.

The attendance of the Members in the Nomination & Remuneration Committee Meeting is as under:

S. No.	Name of the Directors	Details of Meetings Held				Number of Meetings Attended
		29 May 2020	18 June 2020	9 November 2020	11 February 2021	
1.	Mr. Rattan Kapur	📺	📺	📺	✓	4
2.	Mr. Avinash Parkash Gandhi	📺	📺	📺	📺	4
3.	Mr. Dhiraj Dhar Gupta	📺	📺	📺	✓	4

✓ Present × Absent 📺 Attended through Video Conferencing

Performance evaluation of Board, Committees etc.

One of the key responsibilities endowed on Board and Nomination and Remuneration Committee is to ensure continuity of a dynamic and forward-thinking Board and Committees of Board. In order to achieve the same, a formal annual evaluation of Board, Committees and Individual Directors (including Independent Directors) as per the provisions of the Act and Listing Regulations was carried out with a view to ensure that individual Directors and the Board as a whole work efficiently and effectively in achieving Company's objectives.

ANNEXURE - B (Contd.)

The overall responsibility of the said exercise lies with Nomination and Remuneration Committee.

The Independent Directors were evaluated on various performance indicators including aspects relating to:

- Ethical Standards of Integrity and probity.
- Exercise of objective independent judgement in the best interests of the Company.
- Effectively assisted the Company in implementing best Corporate Governance Practices.
- Willingness to devote time and effort to understand the Company and its business.
- Adherence to applicable code of conduct and fulfillment of Director's obligations.
- Independent judgement during Board deliberations on Strategy, performance etc.
- Maintaining high level of Confidentiality.
- Interpersonal relationships with fellow Board Members and Senior Management.

Share Transfer/Stakeholders Relationship Committee

In adherence with the provisions of Section 178(5) of the Act and Regulation 20 of Listing Regulations, the Company has constituted a Share Transfer/Stakeholders Relationship Committee to address Investor's grievances, redressal mechanism and recommend 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. The terms of reference of the Committee, inter-alia, include the following:

- (i) 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.
- (ii) Review of measures taken for effective exercise of voting rights by shareholders.
- (iii) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (iv) 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.

Name of Non-Executive Director heading the Committee

Mr. Dhiraj Dhar Gupta, Non-Executive Independent Director is the Chairman of Share Transfer/Stakeholders Relationship Committee. The Committee comprises of Three (3) Members and the details of constitution of the Committee as on 31 March 2021 are given as below:

S. No.	Name of the Directors	Status	Category of membership
1.	Mr. Dhiraj Dhar Gupta	Chairman	Non-Executive Independent Director
2.	Mr. Deepak Jain	Member	Chairman & Managing Director
3.	Mr. Tadayoshi Aoki	Member	Senior Executive Director

Name and Designation of Compliance Officer

Mr. Pankaj Mahendru, Company Secretary is the Compliance Officer and acts as Secretary to the Committee.

Status of Shareholders Complaints/Grievances Received, pending and resolved













During the Financial Year under review, the category and status of Shareholder/Investor Complaints/Grievances are as follows:

S. No.	Nature of Complaints/ Grievances	No. of Complaints			
		Opening Balance	Received	Resolved	Pending
1.	Non receipt of Share Certificate	0	8	8	0
2.	Non receipt of Dividend	0	149	149	0
3.	Non receipt of Annual Report	0	4	4	0
4.	Scores	0	3	3	0
5.	SEBI	0	1	1	0
6.	Stock Exchange	0	0	0	0

ANNEXURE - B (Contd.)

Meetings and Attendance:

During the Financial year under review Ten (10) Meetings of Committee were held. The following is the attendance record at the Committee Meeting:

S. No.	Details of Meetings Held	Names of Directors		
		Mr. Dhiraj Dhar Gupta	Mr. Deepak Jain	Mr. Tadayoshi Aoki
1.	29 May 2020			
2.	18 June 2020			
3.	12 August 2020			
4.	1 October 2020	✓	✓	×
5.	19 October 2020	✓	✓	×
6.	9 November 2020			
7.	21 December 2020	✓	✓	×
8.	21 January 2021	✓	✓	×
9.	11 February 2021	✓	✓	✓
10.	15 March 2021	✓	✓	×
No. of Meetings attended		10	10	5

✓ Present × Absent  Attended through Video Conferencing

Corporate Social Responsibility (CSR) Committee

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

- To 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
- to recommend the amount of expenditure to be incurred on such activities
- to monitor the Corporate Social Responsibility Policy of the Company from time to time.

Composition, Chairperson and Name of Members

During the year under review, the Corporate Social Responsibility Committee comprised of Four (4) Members.

S. No.	Name of the Directors	Status	Category of Membership
1.	Mr. Munish Chandra Gupta	Chairman	Non-Executive Independent Director
2.	Mr. Avinash Parkash Gandhi	Member	Non-Executive Independent Director
3.	Mr. Deepak Jain	Member	Chairman & Managing Director
4.	Mr. Anmol Jain	Member	Joint Managing Director

Mr. Munish Chandra Gupta resigned from the Board w.e.f. 4 December 2020 and thereafter the Corporate Social Responsibility Committee was reconstituted.







As on 31 March 2021, the Corporate Social Responsibility Committee comprised of Three (3) Members:

S. No.	Name of the Directors	Status	Category of Membership
1.	Mr. Deepak Jain	Chairman	Chairman & Managing Director
2.	Mr. Avinash Parkash Gandhi	Member	Non-Executive Independent Director
3.	Mr. Anmol Jain	Member	Joint Managing Director

ANNEXURE - B (Contd.)

Meetings and Attendance

During the Financial Year under review Two (2) Meetings of CSR Committee were held. The attendance record of Directors is as follows:

S. No.	Name of the Directors	Date of Meeting held	
		18 June 2020	26 March 2021
1.	Mr. Munish Chandra Gupta		N.A
2.	Mr. Avinash Parkash Gandhi		
3.	Mr. Deepak Jain		✓
4.	Mr. Anmol Jain		

✓ Present × Absent  Attended through Video Conferencing N.A. Not Applicable

5. REMUNERATION OF DIRECTORS

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 FY 2020-21 except for the Sitting Fees paid/payable to them for attending the meetings of the Board/ Committees of Directors.

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

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.

Disclosures with respect to Remuneration

Remuneration paid to Executive Directors

The details of remuneration paid to Executive Directors during the Financial Year ended 31 March 2021 are as follows:

(₹ in Lakhs)						
S. No.	Name of the Directors	Salary	Perquisites and other benefits	Statutory & Other Contribution	Commission	Total
1.	Mr. Deepak Jain*	36.00	32.12	7.92	164.13	240.17
2.	Mr. Anmol Jain*	15.60	7.80	3.43	-	26.83
3.	Mr. Vineet Sahni\$	83.43	101.54	26.70	34.37	246.04
4.	Mr. Tadayoshi Aoki	2.88	13.46	-	-	16.34
5.	Mr. Kenjiro Nakazono (w.e.f. 18 June 2020)	2.27	11.69	-	-	13.96
6.	Mr. Koji Sawada (Upto 18 June 2020)	0.61	2.69	-	-	3.30

Note: *Mr. Deepak Jain and Mr. Anmol Jain relinquished 100 % of their fixed basic salary for the first half of the Financial Year on account of pandemic COVID-19.

\$ Mr. Vineet Sahni relinquished 45% of his salary for the first half of the Financial Year on account of pandemic COVID-19.

ANNEXURE - B (Contd.)

Payments paid to Non-Executive Independent Directors

Details of payments in form of Sitting Fees for attending Board Meetings and Committee Meetings paid to the Independent Directors during the Financial Year ended 31 March 2021 are as under:

(₹ in Lakhs)

S. No.	Name of the Directors	Board Meetings	Audit Committee Meetings	Nomination & Remuneration Committee Meetings	CSR Committee Meetings	Independent Directors Meeting	Share Transfer/ Stakeholders Relationship Committee Meetings	Total
1.	Mr. Avinash Parkash Gandhi	2.40	1.20	0.80	0.40	0.40	NA	5.20
2.	Mr. Munish Chandra Gupta	1.60	0.80	NA	0.20	NA	NA	2.60
3.	Mr. Dhiraj Dhar Gupta	2.40	1.20	0.80	NA	0.40	2.00	6.80
4.	Mr. Rattan Kapur	2.40	1.20	0.80	NA	0.40	NA	4.80
5.	Mr. Rajeev Kapoor	2.40	1.20	NA	NA	0.40	NA	4.00
6.	Mrs. Ritika Modi	2.00	NA	NA	NA	0.40	NA	2.40
7.	Mr. Vikrampati Singhania	0.80	NA	NA	NA	0.40	NA	1.20

NA: Not Applicable

Service Contracts, Notice Periods, Severance Fees

The service contracts, Notice Periods and severance fees to Executive Directors, Non-Executive or Independent Directors are governed through Board/ Shareholders Resolutions.

Stock Options Details, if any:

No stock options have been granted to any Directors during the FY 2020-21

6. GENERAL BODY MEETINGS

Location, date and time of AGMs held during the previous three (3) years are given as under:

Financial year	Date	Time	Location
2017-18	18 July 2018	10:30 A.M.	Air Force Auditorium, Subroto Park, New Delhi- 110010
2018-19	23 August 2019		
2019-20	28 August 2020	10:30 A.M.	2 nd Floor, Harbans Bhawan - II, Commercial Complex, Nangal Raya, New Delhi - 110046 (through Video Conferencing)

Details of Extraordinary General Meeting (EGM) held: No EGM was held during the previous three (3) years.

Details of Special Resolutions passed in previous three AGMs are as follows:

AGM held on 18 July 2018

- Appointment of Mr. Tadayoshi Aoki (DIN: 08053387) as Senior Executive Director for a period of 3 years.

- Appointment of Mr. Vineet Sahni (DIN: 03616096) as Senior Executive Director for a period of 5 years.

AGM held on 23 August 2019

- Re-appointment of Mr. Avinash Parkash Gandhi (DIN: 00161107) as an Independent Director for a Second Term and Continuation of Directorship.
- Re-appointment of Mr. Munish Chandra Gupta (DIN: 01362556) as an Independent Director for a Second Term and Continuation of Directorship.
- Re-appointment of Mr. Dhiraj Dhar Gupta (DIN: 01089718) as an Independent Director for a Second Term.
- Re-appointment of Mr. Rattan Kapur (DIN: 00304573) as an Independent Director for a Second Term.

AGM held on 28 August 2020

- No Special resolution was passed in the AGM held on 28 August 2020.

Details of Special Resolution passed last year through Postal Ballot

The details pertaining to conducting of Postal Ballot during last year and Special Resolutions passed thereat are as follows:

- Approval for Reappointment of Mr. Deepak Jain (DIN: 00004972) as Chairman and Managing Director (Key Managerial Personnel) of the Company.
- Approval for Reappointment of Mr. Anmol Jain (DIN: 00004993) as Joint Managing Director (Key Managerial Personnel) of the Company
- Approval for Reappointment of Mr. Tadayoshi Aoki (DIN: 08053387) as Senior Executive Director -

ANNEXURE - B (Contd.)

Whole Time Director (Key Managerial Personnel) of the Company

- Approval for the payment of minimum remuneration to Mr. Deepak Jain (DIN: 00004972) Chairman and Managing Director (Key Managerial Personnel) for the FY 2020-21
- Approval for the payment of minimum remuneration to Mr. Anmol Jain (DIN: 00004993) Joint Managing Director (Key Managerial Personnel) for the FY 2020-21
- Approval for the payment of minimum remuneration to Mr. Vineet Sahni (DIN: 03616096) Senior Executive Director – Whole Time Director and CEO (Key Managerial Personnel) for the FY 2020-21
- Approval for the payment of minimum remuneration to Mr. Tadayoshi Aoki (DIN: 08053387) Senior Executive Director - Whole Time Director (Key Managerial Personnel) for the FY 2020-21
- Approval for the payment of minimum remuneration to Mr. Kenjiro Nakazono (DIN: 08753913) Executive Director – Whole Time Director (Key Managerial Personnel) for the FY 2020-21
- Approval for remuneration payable to Mr. Deepak Jain (DIN: 00004972) Chairman and Managing

Director (Key Managerial Personnel) who is also promoter of the Company in excess of threshold limits under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

- Approval for remuneration payable to Mr. Anmol Jain (DIN: 00004993) Joint Managing Director (Key Managerial Personnel) who is also promoter of the Company in excess of threshold limits under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

Additionally, one Ordinary Resolution was also passed through this Postal Ballot:

- Approval of Material Related Party Transactions with Lumax Auto Technologies Limited.

Date of Notice of Postal Ballot: 9 November 2020

Voting Period: Tuesday, 15 December 2020 (09:00 a.m.) to Wednesday, 13 January 2021 (05:00 p.m.)

Date of Declaration of Result: 15 January 2021

Date of Approval: 13 January 2021

A summary of the voting pattern is as follows:

Item No.	Agenda Items	No. of Votes Polled	No. of Votes in favour	No. of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
	Special Resolution					
1	Approval for Reappointment of Mr. Deepak Jain (DIN: 00004972) as Chairman and Managing Director (Key Managerial Personnel) of the Company.	89,000	88,814	186	99.7910	0.2090
2	Approval for Reappointment of Mr. Anmol Jain (DIN: 00004993) as Joint Managing Director (Key Managerial Personnel) of the Company.	88,980	88,794	186	99.7910	0.2090
3	Approval for Reappointment of Mr. Tadayoshi Aoki (DIN: 08053387) as Senior Executive Director - Whole Time Director (Key Managerial Personnel) of the Company.	88,980	77,118	11,862	86.6689	13.3311
4	Approval for the payment of minimum remuneration to Mr. Deepak Jain (DIN: 00004972) Chairman and Managing Director (Key Managerial Personnel) for the FY 2020-21.	88,980	88,779	201	99.7741	0.2259
5	Approval for the payment of minimum remuneration to Mr. Anmol Jain (DIN: 00004993) Joint Managing Director (Key Managerial Personnel) for the FY 2020-21.	88,980	88,779	201	99.7741	0.2259

ANNEXURE - B (Contd.)

Item No.	Agenda Items	No. of Votes Polled	No. of Votes in favour	No. of Votes against	% of Votes in favour on Votes Polled	% of Votes against on Votes Polled
Special Resolution						
6	Approval for the payment of minimum remuneration to Mr. Vineet Sahni (DIN: 03616096) Senior Executive Director - Whole Time Director and CEO (Key Managerial Personnel) for the FY 2020-21.	35,94,379	35,94,223	156	99.9957	0.0043
7	Approval for the payment of minimum remuneration to Mr. Tadayoshi Aoki (DIN: 08053387) Senior Executive Director - Whole Time Director (Key Managerial Personnel) for the FY 2020-21.	88,980	88,824	156	99.8247	0.1753
8	Approval for the payment of minimum remuneration to Mr. Kenjiro Nakazono (DIN: 08753913) Executive Director - Whole Time Director (Key Managerial Personnel) for the FY 2020-21.	88,980	88,804	176	99.8022	0.1978
9	Approval for remuneration payable to Mr. Deepak Jain (DIN: 00004972) Chairman and Managing Director (Key Managerial Personnel) who is also promoter of the Company in excess of threshold limits under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).	88,980	88,779	201	99.7741	0.2259
10	Approval for remuneration payable to Mr. Anmol Jain (DIN: 00004993) Joint Managing Director (Key Managerial Personnel) who is also promoter of the Company in excess of threshold limits under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)	88,980	88,779	201	99.7741	0.2259
Ordinary Resolution						
11	Approval of Material Related Party Transactions with Lumax Auto Technologies Limited.	88,980	88,794	186	99.7910	0.2090

Person who conducted the Postal Ballot exercise

Mr. Surinder Vashishtha, Practicing Company Secretary, ACS No. 21285 was appointed as the Scrutinizer for conducting the Postal Ballot in accordance with the Act and the Companies (Management and Administration) Rules, 2014 in a fair and transparent manner.

Special Resolution proposed through Postal Ballot

There are no Special Resolutions proposed through Postal Ballot.

Procedure of Postal Ballot

In Compliance with the provisions of Section 110 and all other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, the Company completed the dispatch of Postal Ballot notice on 14 December 2020 along with the Postal Ballot Forms and self-addressed postage pre-paid Business Reply Envelopes to

ANNEXURE - B (Contd.)

the Shareholders whose names appeared in the register of shareholders/ list of beneficiaries as on cut-off date i.e. 4 December 2020. 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 Members to cast their votes electronically, in accordance with Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations. The Company engaged the services of KFin Technologies Private Limited (formerly known as Karvy Fintech 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.

Shareholders were advised to carefully read the instructions printed on the Postal Ballot Form before casting their vote and return the duly completed form in the attached self-addressed business reply envelope so as to reach the scrutinizer on or before 05:00 P.M. (IST) on Wednesday, 13 January 2021 in case of Members desiring to exercise their votes by physical postal ballot forms. Members voting through electronic mode were requested to follow the instructions for e-voting and could vote from Tuesday, 15 December 2020 at 09:00 A.M. (IST) till Wednesday, 13 January 2021 at 05:00 P.M. (IST).

The Scrutinizer submitted his report on 15 January 2021, in the absence of the Chairman, to Mr. Pankaj Mahendru, Company Secretary and the results of the voting by means of Postal Ballot (including voting through electronic means) were announced on 15 January 2021 before 05:00 P.M. at the Registered Office of the Company. The said results were published in the newspapers within 48 hours of the declaration of the results and were also placed on the website of the Company at <https://www.lumaxworld.in/lumaxindustries/pdf/sub-mission-of-postal-ballot-results-LIL-15012021.pdf>, besides being communicated to Stock Exchanges.

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

7. MEANS OF COMMUNICATION

In compliance with Regulation 46 of the Listing Regulations, the Company's website, www.lumaxworld.in/lumaxindustries contains a dedicated functional segment, named 'INVESTORS' where all the information meant for the Shareholders is available, including information on Directors, shareholding pattern, quarterly

reports, financial results, annual reports, press releases, details of unpaid/unclaimed Dividends and various policies of the Company.

Financial Results (quarterly/half-yearly/annual), Newspapers wherein Results are normally published and Website where displayed

Pursuant to Regulation 33 of Listing Regulations, the Company has regularly furnished within the prescribed timeline the quarterly unaudited as well as annual audited financial results to both the Stock Exchanges i.e. BSE & NSE.

Quarterly and annual Financial Results are also published in English language national daily newspaper viz. Financial Express circulating in the whole of India and in daily newspaper published in the vernacular language viz. Jansatta in state where Registered Office of the Company is situated. The same are also made available on the website of the Company at <https://www.lumaxworld.in/lumaxindustries/corporate-announcements.html>.

Presentations made to Institutional Investors or to the Analysts

Detailed presentations are made to the investors of Company and the same are hosted on the Company's website at <https://www.lumaxworld.in/lumaxindustries/investor-presentation.html> and are disseminated on the Stock Exchanges viz. BSE and NSE

Official News Releases/ Conference Calls with Investors

All official news and media releases, invitations and transcript of the Analyst/ Investor conference calls are posted on the website of the Company under Investors Tab and disseminated on the Stock Exchanges viz. BSE and NSE

Annual Report

The Annual Report containing, inter-alia, the Audited Financial Statements (Standalone & Consolidated), Board's Report, Auditors' Report, Management Discussion and Analysis (MDA) report and other important information is circulated to Shareholders and other stakeholders and is also available on the Company's website at <https://www.lumaxworld.in/lumaxindustries/annual-report.html>.

Stock Exchange

The Company makes timely disclosure of prescribed information to BSE and NSE in terms of the Listing Regulations and other rules and regulations issued by the SEBI.

BSE Corporate Compliance & Listing Centre (the Listing Centre)

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings

ANNEXURE - B (Contd.)

like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

NSE Electronic Application Processing 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 also filed electronically on NEAPS.

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 are sent to them in electronic form.

8. GENERAL SHAREHOLDERS INFORMATION

AGM

The 40th AGM of the Company is scheduled as under:

Date : 31 August 2021
Day : Tuesday
Time : 10:30 a.m.
Venue : Through Video Conference or other audio Visual Means (VC/OAVM)

Financial Year : 1 April to 31 March

For the FY 2020-21 Results were announced on:

Adoption of Quarterly Results Ended	Dates
30 June 2020	12 August 2020
30 September 2020	9 November 2020
31 December 2020	11 February 2021
31 March 2021 (Audited Annual Accounts)*	11 June 2021

*Board meeting held as per relaxation given by SEBI vide circular dated 29 April 2021.

Financial Calendar for FY 2021-22 (Provisional)

Adoption of Quarterly Results Ended	Tentative Calendar
30 June 2021	On or before 14 August 2021
30 September 2021	On or before 14 November 2021
31 December 2021	On or before 14 February 2022
31 March 2022 (Audited Annual Accounts)	On or before 30 May 2022

Dividend & Dividend Payment Date

The Board of Directors have recommended, a Dividend @ ₹ 7 per equity share (i.e. 70%) of face value of ₹ 10/- each for the FY 2020-21 which was considered by the Board in its meeting held on 11 June 2021, for the approval of Shareholders in the ensuing AGM ("AGM").

For Demat Shareholders who have opted for NECS/ECS, Dividend amount of ₹ 7/- per share will be credited directly to their respective bank accounts, wherever such facilities are available, soon after the declaration of Dividend in the AGM (subject to approval of Shareholders in the ensuing AGM). For others, Dividend Warrants/ Demand Drafts will be posted on or before 30 September 2021. (tentative).

Date of Book Closure : Tuesday, 24 August 2021 to Tuesday, 31 August 2021 (both days inclusive)

Name and address of Stock Exchanges where Securities are listed

Names of Stock Exchanges	Address
BSE Limited	Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
National Stock Exchange of India Limited	Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

Stock Codes

The Company's stock codes on the above stock exchanges are as below:

BSE	517206
NSE	LUMAXIND

The ISIN of the Company is INE162B01018.

Annual Listing Fees

The Listing Fees for the FY 2021-22 has been paid to the BSE Limited and National Stock Exchange of India Limited within stipulated time.

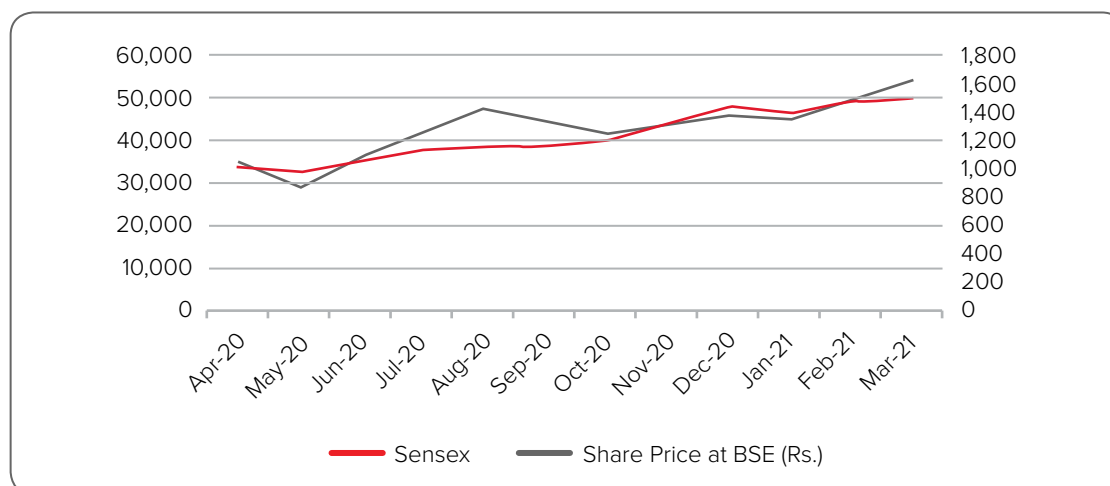
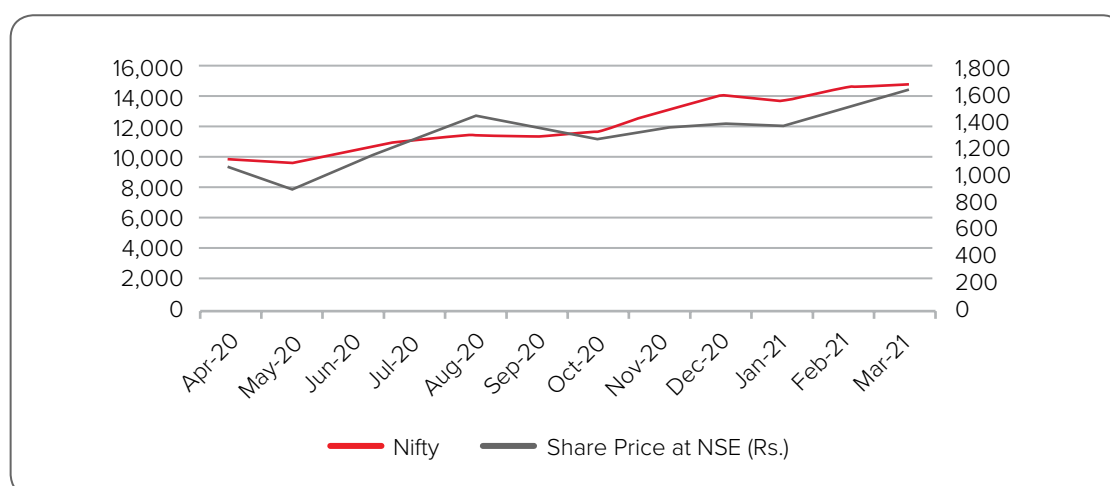
Market price data – High and Low during each month in FY 2020-21

The monthly High and Low Prices and volumes of the Shares of the Company at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) during the FY 2020-21 are as follows:

ANNEXURE - B (Contd.)

MONTH	BSE			NSE		
	High (₹)	Low (₹)	Volume (Total Traded Quantity)	High (₹)	Low (₹)	Volume (Total Traded Quantity)
April 2020	1,147.35	860.35	2,267	1,150.00	850.00	61,711
May 2020	1,048.95	860.30	2,969	1,039.00	856.05	69,199
June 2020	1,123.00	879.00	10,846	1,139.70	873.00	1,46,736
July 2020	1,347.95	1,052.00	10,578	1,340.00	1,046.10	1,57,166
August 2020	1,695.95	1,251.05	31,896	1,674.90	1,211.00	3,68,437
September 2020	1,577.35	1,251.00	10,520	1,580.00	1,250.00	1,13,607
October 2020	1,375.50	1,199.00	11,382	1,374.95	1,212.05	1,14,732
November 2020	1,357.80	1,189.95	12,312	1,360.40	1,188.00	1,19,752
December 2020	1,538.50	1,270.00	22,371	1,538.00	1,272.65	2,92,395
January 2021	1,435.50	1,273.65	12,008	1,439.00	1,274.95	96,774
February 2021	1,573.00	1,283.85	25,192	1,575.00	1,273.85	2,15,662
March 2021	1,750.00	1,490.00	17,818	1,783.40	1,480.00	1,61,880

(Source: This information is compiled from the data available on the website of BSE & NSE)

LUMAX SHARE PRICE AND BSE SENSEX MOVEMENT**LUMAX SHARE PRICE AND NSE NIFTY MOVEMENT**

ANNEXURE - B (Contd.)

Stock Performance in comparison to broad-based Indices from April 2020 to March 2021 is given below

The table below represents the comparison of the Company's share price movement on BSE vis-à-vis the movement of the BSE Sensex and NSE Nifty for the Financial Year ended 31 March 2021:

Name and address of Stock Exchanges where Securities are listed

MONTH	Share Price at BSE (₹)	SENSEX	Share Price at NSE (₹)	NIFTY
April 2020	1,035.75	33,717.62	1,039.90	9859.90
May 2020	876.00	32,424.10	880.95	9580.30
June 2020	1,081.80	34,915.80	1,084.55	10302.10
July 2020	1,231.00	37,606.89	1,240.85	11073.45
August 2020	1,415.85	38,628.29	1,427.55	11387.50
September 2020	1,326.35	38,067.93	1,322.80	11247.55
October 2020	1,245.05	39,614.07	1,247.00	11642.40
November 2020	1,312.50	44,149.72	1,321.20	12968.95
December 2020	1,369.70	47,751.33	1,367.75	13981.75
January 2021	1,344.30	46,285.77	1,347.00	13634.60
February 2021	1,486.45	49,099.99	1,487.20	14529.15
March 2021	1,603.35	49,509.15	1,606.95	14690.70

(Source: This information is compiled from the data available on the website of BSE & NSE)

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

The Securities of the Company have not been suspended for trading at any point of time during the Financial Year ended 31 March 2021.

Registrar to an issue and share transfer agents ("RTA")

KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Karvy Selenium Tower-B, Plot No.31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad-500032
Tel : 040 -67162222
Fax: 040 -23001153
Toll Free No: 1800-3454-001
E-mail : einward.ris@kfintech.com

Share Transfer System:

The Company has appointed KFin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) as its RTA. The documents received from shareholders are scrutinized by the Company's RTA and all work related to share registry, both in physical form and electronic form, is handled by RTA. The communications regarding share certificates, share transfers, change of address, Dividends, etc. are addressed to the Company's RTA.

Pursuant to amendment in Regulation 40 of Listing Regulations vide Gazette notification dated 8 June 2018, transfer of securities were to be carried out in dematerialized form only with effect from 5 December 2018 initially. This timeline was further extended to 1 April 2019 vide notification dated 3 December 2018.

Further SEBI vide its press release dated 27 March 2019 clarified that the transfer deeds lodged prior to deadline and returned due to deficiency in the document may be relodged for transfer even after the deadline of 1 April 2019. Further, with Circular SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7 September 2020 cut-off date for re-lodgement of transfer deeds has been fixed as 31 March 2021. The shares that are relodged for transfer (including those request that are pending with the listed company/ RTA, as on date) shall henceforth be issued only in demat mode. Accordingly trading/transfers in equity shares of the Company through recognized Stock Exchanges can be done in dematerialized form only.

The Share Transfer Committee is authorized to approve issuance of duplicate certificates and all such issuance are completed within statutory time limit from the date of request, provided the documents meet the stipulated requirement of statutory provisions in all respects. In compliance with the provisions of Listing Regulations, the share transfer system of the Company is audited every six months by a Practicing Company Secretary and a certificate to that effect is issued by him.

These certificates were duly filed with the Stock Exchanges.

ANNEXURE - B (Contd.)**Reconciliation of Share Capital Audit**

Audits were also 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. 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 dematerialized form (held with NSDL and CDSL).

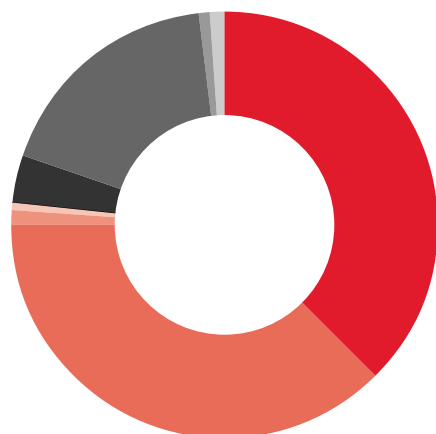
Distribution of Shareholding as on 31 March 2021:

Below table shows the distribution of shareholding by number of shares held and shareholding pattern in percentage pursuant to Regulation 31 of Listing Regulations as on 31 March 2021

Range of Shares		No. of Share-holders	% of Share-holders	Amount (Rs)	% of Equity Capital
1	5,000	19,820	97.88	100,51,920	10.75
5,001	10,000	233	1.15	17,43,740	1.87
10,001	20,000	105	0.52	15,04,960	1.61
20,001	30,000	23	0.12	5,50,070	0.59
30,001	40,000	13	0.06	4,71,810	0.50
40,001	50,000	13	0.06	6,08,080	0.65
50,001	1,00,000	20	0.10	15,22,490	1.63
1,00,001	& above	22	0.11	7,70,24,250	82.40
Total		20,249	100.00	9,34,77,320	100.00

Shareholding Pattern as on 31 March 2021

S. No.	Category of Shareholders	No. of Shares held	% age of Shareholding
A.	Promoters' Holding		
1.	Promoters		
	Indian Promoters	35,05,399	37.50
	Foreign Promoters	35,05,399	37.50
2.	Persons acting in concert	-	-
	SUB – TOTAL (A)	70,10,798	75.00
B.	Non-Promoters Holding		
3.	Institutional Investors		
	a. Institutions/Mutual Funds/ Banks	1,04,562	1.12
	b. Foreign Portfolio Investors	59,603	0.64
	c. Overseas Corporate Bodies	80	0.00
	d. Foreign Nationals	80	0.00
	SUB – TOTAL (B3)	1,64,325	1.76
4.	Non-Institutional Investors		
	Bodies Corporate & Clearing Member	3,42,294	3.66
	Indian Public	16,67,802	17.84
	NRI's (Including Foreign Company)	79,297	0.85
	IEPF	81,216	0.87
	Alternate Investment Fund	2,000	0.02
	SUB – TOTAL (B4)	21,72,609	23.24
	SUB –TOTAL (B) (B3+B4)	23,36,934	25.00
	GRAND TOTAL (A+B)	93,47,732	100.00

GRAPHICAL PRESENTATION OF SHAREHOLDING PATTERN (CATEGORY-WISE) AS ON 31 MARCH, 2021


Indian Promoters	37.50
Foreign Promoters	37.50
Institutions/Mutual Funds/ Banks	1.12
Foreign Portfolio Investors	0.64
Alternative Investment Fund	0.02
Bodies Corporate & Clearing Member	3.66
Indian Public	17.84
NRIs (Including Foreign Company)	0.85
IEPF	0.87

Dematerialization & Liquidity of Shares as on 31 March 2021

In order to enable the Shareholders to hold their shares in electronic form and to facilitate scrip less trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are liquid and are actively traded on BSE and NSE (Stock Exchanges).

Status of Dematerialization

Particulars	No. of Shares	% of the Total Shares
NSDL	87,13,652	93.22
CDSL	4,95,958	5.31
Physical Form	1,38,122	1.47
TOTAL	93,47,732	100.00

Particulars	No. of Shareholders	% of the Total Shareholders
NSDL	9,882	48.80
CDSL	7,308	36.09
Physical Form	3,059	15.11
TOTAL	20,249	100.00

Status of Liquidity

The number of shares of the Company traded in the Stock Exchange during the FY 2020-21 is given below:

Particulars	BSE	NSE	Total
No of shares Traded	1,70,159	19,18,051	20,88,210
% of Total Equity	1.82%	20.52%	22.34%

Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or warrants or any convertible instruments, conversion date and likely impact on equity

There are no GDRs/ ADRs/ Warrants outstanding as on 31 March 2021.

Commodity price risk or foreign exchange risk and hedging activities

In order to manage Foreign Exchange Exposure, the Company has in place an appropriate mechanism for management of Foreign Exchange Risk by defining its exposures, measuring them and defining appropriate actions to control this risk.

The intent of this mechanism is to minimize the Financial Statement impact of fluctuating Foreign Currency Exchange Rates. During the COVID-19 period it was deliberated across the team to mitigate the forex loss and cope with commodity price risk.

Plant Locations of the Company as on 31 March 2021

There are total 10 locations where the manufacturing plants of the Company are located

Sr. No.	Plant Location
1	Plot No.16, Sector-18, Maruti Complex, Gurugram, Haryana
2	Plot No.195-195A, Sector-4, Phase-II, Bawal, Distt. Rewari, Haryana
3	Plot No.6, Industrial Area, Dharuhera, District Rewari, Haryana

ANNEXURE - B (Contd.)

Sr. No.	Plant Location
4	Plot No. 91-B, Sector-5, IMT Manesar, Gurugram, Haryana
5	Plot No. 51, Sector-11, IIE, Pant Nagar, Distt. Udham Singh Nagar, Uttarakhand
6	Plot No. 5, Industrial Park-II, Village Salempur Mehdood, Haridwar, Uttarakhand
7	608-609, Chakan Talegaon Road, Mahalunge Ingle, Chakan, Pune, Maharashtra
8	D2-43/2, M.I.D.C. Industrial Area, Chinchwad, Pune, Maharashtra
9	Plot No. D-1, Vendors Park, Sanand, Distt. Ahmedabad, Gujarat
10	Plot No.69-70 A, Phase-II, Bidadi Industrial Area, Sector-2, Bengaluru, Karnataka

Contact details for correspondence:**Information for Corporate & Institutional Investors and Analyst Information**

Mr. Shruti Kant Rustagi
Chief Financial Officer
Plot No. 878, Udyog Vihar, Phase V, Gurugram-122016, Haryana
Ph. No. +91124 4760000
Email: shrutikant.rustagi@lumaxmail.com

Information for Retail Investors

Mr. Pankaj Mahendru
Company Secretary & Compliance Officer
Plot No. 878, Udyog Vihar, Phase V, Gurugram-122016, Haryana
Ph. No. +91124 4760000
Email(s): pankaj.mahendru@lumaxmail.com
lumaxshare@lumaxmail.com

Registrar and Share Transfer Agent

KFin Technologies Private Limited
Formerly known as Karvy Fintech Private Limited
Unit: Lumax Industries Limited
Karvy Selenium Tower-B, Plot No.31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad-500032
Tel: 040 -67162222
Fax: 040 -23001153
Toll Free No: 1800-3454-001
Email: einward.ris@kfintech.com
Contact Person: Mr. Rajeev Kumar
Email: rajeev.kr@kfintech.com

Credit Ratings obtained by the Company and any revisions thereto during the Financial Year, for all debt instrument or any fixed deposit programme or any scheme or proposal of the involving mobilization of funds, whether in India or abroad

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

1. Long Term Rating- ICRA A+
2. Short Term Rating- ICRA A1+

The Company does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the Financial Year ended 31 March 2021. There were no revision/changes in the abovesaid ratings issued by ICRA.

9. OTHER DISCLOSURES**Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of Company at large**

There were no Related Party transactions of significant material nature that have a potential conflict with the interest of Company at large. During the FY 2020-2021 all the Related Party transactions entered into were in the normal course of business and at arms-length basis. The said transactions are reported in the Annual Financial Statements.

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** which forms part of Boards' Report. The Audit Committee is briefed with all Related Party transactions (material & non-material) undertaken by the Company on quarterly basis.

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 have been no non-compliances and no penalties/strictures have been 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.

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

ANNEXURE - B (Contd.)

regarding any irregularity, misconduct or unethical matters / dealings within the Company/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 voice their concerns to the Management 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.

No persons were denied access to the Audit Committee of the Company with regards to the above.

Details of compliance with mandatory requirements under SEBI (Listing Regulations & Disclosure Requirements), Regulations, 2015 and adoption of non- mandatory requirements

The Company has fully and adequately complied with all the mandatory requirements of the Listing Regulations.

Adoption of Non- mandatory Requirements

In adherence with the Listing Regulations, the Company has voluntarily complied with following non-mandatory requirements:

- (i) 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.
- (ii) The Internal Auditors have direct access to the Audit Committee and the Internal Auditors presents their Audit Observations to the Audit Committee of Board.

Web link where policy for determining 'material' subsidiaries is disclosed

The Company does not have any material Subsidiary Company in terms of Regulation 16 of the Listing Regulations hence no disclosure is required to be reported under this heading.

Web link where policy on dealing with Related Party Transactions is disclosed

The Board approved Policy on Related Party Transactions can be accessed on <https://www.lumaxworld.in/lumaxindustries/pdf/related-party-transaction-policy.pdf>.

Disclosure of commodity price risks, foreign exchange risk and commodity 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 intent of this mechanism is to minimize the Financial Statement impact of fluctuating Foreign Currency Exchange Rates. During the COVID-19 period it was deliberated across the team to mitigate the forex loss and cope with commodity price risk.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations

The Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement during the Financial Year ended 31 March 2021.

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 the Company by the Board/Ministry of Corporate Affairs or any such statutory authority

Certificate as required under Part C of Schedule V of Listing Regulations, received from Mr. Maneesh Gupta (C.P. No. 4982) Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority, was placed before the Board of Directors at their meeting held on 11 June 2021. The same is reproduced as below:

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 Industries Limited

2nd 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 Industries Limited having CIN L74899DL1981PLC012804 and having registered office at 2nd 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 and 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) 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 31 March 2021 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: 18 May 2021
UDIN: F004982C000335015

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

ANNEXURE - B (Contd.)

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 of its Committee during the Year under review.

Total fees for all services paid by the Company to the Statutory Auditors

During the Year under review, a total fee of ₹ 57,53,106/- (Rupees Fifty seven Lakhs fifty three Thousand One hundred six only) was paid by the Company for all the services provided by Statutory Auditor. The break up of same is tabulated as under:

S. No.	Particulars	Amount (in ₹)
1.	Statutory Audit	23,25,000
2.	Limited Review	23,25,000
3.	Tax Audit	3,00,000
4.	Out of Pocket Expenses	3,53,106
5.	Other Certification	4,50,000
	TOTAL	57,53,106

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

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the FY 2020-21 are as under:

S. No.	Particulars	Number of Complaints
1.	Number of Complaints filed during the Financial Year	1
2.	Number of Complaints disposed of during the Financial Year	1
3.	Number of Complaints pending as at end of the Financial Year	0

10. 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.

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

- The Board:** The Chairman of the Company is of Executive category, hence the requirement of maintaining a Chairman's office at the Company's expense, reimbursement of expenses incurred in performance of his duties does not apply.
- Shareholder Rights:** Quarterly Financial Statements are published in newspapers and uploaded on Company's website to be accessible by Shareholders.
- 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.
- Reporting of Internal Auditor:** M/s Grant Thornton Bharat LLP are the Internal Auditors of the Company. The Internal Auditors have direct access to the Audit Committee and Internal Auditors presents their Audit Observations to the Audit Committee of Board.

12. 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 27
- Clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule.

13. 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 adopted a Code of Conduct for its Board and Senior Employees as per Listing Regulations and the same is available at the Company's website. Also the Code of Conduct for Board of Directors and Senior Management in terms of Regulation 17(5) of Listing Regulations, have been reviewed and revised by

ANNEXURE - B (Contd.)

the Board of Directors in their Meeting held on 18 June 2020. All Members of the Board and Senior Management Personnel have affirmed compliance with the said Code of Conduct for the FY 2020-2021. A declaration to that effect, signed by the CEO & Senior Executive Director forms part of this Report. The Code of Conduct is also available on the website of Company under the web link <https://www.lumaxworld.in/lumaxindustries/corporate-governance.html>.

14. 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 part of this Report.

15. DISCLOSURES RELATED TO DEMAT SUSPENSE ACCOUNT/ 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	No. of Share holders	No. of Equity Shares
Aggregate number of Shareholders and outstanding shares at the beginning of the year i.e. as on 1 April 2020	115	3,684
Number of Shareholders who approached for issue/ transfer of Shares during the FY 2020-21	-	-
Number of Shareholders to whom shares were issued/ transferred	-	-
Transfer to IEPF	-	-
Aggregate number of Shareholders and the Outstanding shares lying at the end of the year i.e. 31 March 2021	115	3,684

All the corporate benefits against those shares like bonus shares, split, Dividend etc if any declared, would also be transferred to unclaimed suspense account of the Company. The voting rights on the 3,684 shares shall remain frozen till the rightful owner of such shares claims the shares.

16. UNCLAIMED/UNPAID DIVIDENDS AND SHARES

Pursuant to the provisions of Section 124 & 125 of the Act 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 7 years from the date of transfer to the Unpaid Dividend Account shall be transferred to Investor Education and Protection Fund (IEPF). Further, all corresponding shares in respect of above said Dividend shall also be transferred to the Demat Account of IEPF Authority.

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 FY 2020-21 ₹ 6,35,886/- of unpaid/unclaimed Dividends and 5,659 shares were transferred to the IEPF Authority.

Further, the Unclaimed Dividend for the FY 2013-14 shall become transferable to the Investor Education & Protection Fund (IEPF) by 20 September 2021. The Company has issued a notice in the newspapers and has also issued the letters to the concerned Shareholders, whose Dividend is lying in the unpaid/unclaimed dividend account and also the underlying shares are liable to be transferred to IEPF, in compliance with the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time. Members who have not encashed their Dividend for the FY 2013-14 and onwards are therefore, requested to make their claims to the Company immediately.

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

17. CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS

The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons (Code of Conduct) under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. SEBI has notified several amendments pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which were effective from 1 April 2019.

The Code of Conduct to Regulate, Monitor and Report trading by Designated Persons, have been uploaded on website of the Company and can be accessed through the following link <https://www.lumaxworld.in/lumaxindustries/policies.html> under Investor Section.

ANNEXURE - B (Contd.)

18. CEO/CFO CERTIFICATE

The CEO & Senior Executive Director, Mr. Vineet Sahni and the Chief Financial Officer, Mr. Shruti Kant Rustagi 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. OTHER IMPORTANT INFORMATION FOR SHAREHOLDERS

Nomination of Shares

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 Act, read with the Companies (Share Capital and Debentures) Amendment Rules, 2015 are requested to submit to the Company nomination in the prescribed Form SH-13 for this purpose.

Updation of Shareholders Details

- (i) 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).
- (ii) Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.
- (iii) Non-resident shareholders are requested to immediately notify the:
 - Indian address for sending all communications, if not provided so far;
 - Change in their residential status on return to India for permanent settlement;
 - Particulars of their Non-Resident Rupee Account, whether repatriable or not, with a bank in India, if not furnished earlier.

Mandatory Requirement of PAN and Bank Details

Pursuant to SEBI circular dated 20 April 2018, the Company has sent letters/e-mails through its RTA along with KYC form followed by several reminders to the Shareholders requesting them to submit their PAN and Bank Account details for updation of their data in Company records. Accordingly, Shareholders holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they

maintain their demat accounts. Shareholders holding shares in physical form should submit their PAN to the Company.

Shareholders holding shares in physical form are mandatorily required to furnish self-attested copy of PAN in the following cases:

- Legal Heirs'/Nominees' PAN Cards for transmission of shares
- Surviving joint holder's PAN for deletion of name of the deceased Shareholder;
- Shareholder's PAN Card for dematerialization of shares;
- Shareholder's and surety's PAN for issuance of duplicate share certificate;
- Shareholder's and Nominee's PAN Card for registration of nomination of shares.

Mandatory transfer/transmission/transposition of shares in dematerialized mode

The Securities and Exchange Board of India vide gazette notification dated 8 June 2018 and its press release on 3 December 2018 amended Regulation 40 of the Listing Regulations and has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f. 1 April 2019. Further SEBI vide its press release dated 27 March 2019 clarified that the transfer deeds lodged prior to deadline and returned due to deficiency in the document may be relogged for transfer even after the deadline of 1 April 2019. Further, with Circular SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7 September 2020 cut-off date for re-lodgement of transfer deeds has been fixed as 31 March 2021. The shares that are relogged for transfer (including those request that are pending with the listed company/ RTA, as on date) shall henceforth be issued only in demat mode. 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.

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

On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Annual Report, Notice of AGM and e-Voting instructions only in electronic form to the registered email addresses

ANNEXURE - B (Contd.)

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 nos. 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, KFin Technologies Private Limited in case the shares held in physical form.
2. In case share are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested copy of PAN card), AADHAR (self-attested copy of Aadhar Card) by sending a request to KFin Technologies Private Limited (formerly Karvy Fintech Private Limited), Registrar and Share Transfer Agent at einward.ris@kfintech.com and also to lumaxshare@lumaxmail.com.

In case shares are held in demat mode, Please contact your DP and register your E-mail address in your demat account, as per the process advised by your DP

3. The Annual Report and Notice of AGM can also be accessed from the websites of the Stock Exchange

i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the same is also available on the Company's website i.e. <https://www.lumaxworld.in/lumaxindustries/annual-report.html> and is also available on the website of NSDL (agency for providing the remote e-voting facility i.e. www.evoting.nsdl.com).

SCORES- SEBI Complaints Redress System

SEBI vide its Circular dated 26 March 2018 has streamlined the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at: https://www.sebi.gov.in/legal/circulars/mar-2018/investor-grievance-redress-mechanism-new-policy-measures_38481.html

The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of their complaints.

20. COMPLIANCE OFFICER OF THE COMPANY

Mr. Pankaj Mahendru, Company Secretary is the Compliance Officer of the Company. He is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters.

ANNEXURE - B (Contd.)

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

I, Vineet Sahni, CEO & Senior Executive Director 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 FY 2020-21.

Place: Gurugram
Date: 11 June 2021

Vineet Sahni
CEO & Senior Executive Director

CEO AND CFO CERTIFICATE

[Pursuant to 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 31 March 2021 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 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.

Shruti Kant Rustagi
Chief Financial Officer
Place: New Delhi
Date: 11 June 2021

Vineet Sahni
CEO & Senior Executive Director
Place: Gurugram
Date: 11 June 2021

ANNEXURE - B (Contd.)

**Independent Auditor's Report on Compliance with the Corporate Governance requirements under SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To the Members of **Lumax Industries Limited**

1. This report is issued in accordance with our engagement letter dated 01 June 2021.
2. We have examined the compliance of conditions of Corporate Governance by Lumax Industries Limited ('the Company') for the year ended 31 March 2021 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with the Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the conditions of Corporate Governance, as stipulated in the Listing Regulations, is the responsibility of the Management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the said conditions.

Auditor's Responsibility

4. Our examination is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance, as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to report whether the Company has complied with the conditions of Corporate Governance, as stipulated in Listing Regulations, in respect of the year ended 31 March 2021.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us and based on the representations provided by the Management, we report that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations in respect of the year ended 31 March 2021.
9. We state that our report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which Management has conducted the affairs of the Company.

Restriction on Use

10. The report is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations 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 for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Place: Gurugram
Date: 11 June 2021

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration No. 116231W /W-100024
Manish Kapoor
Partner
Membership No.: 510688
ICAI UDIN: 21510688AAAAABG4149

ANNEXURE - C

Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees

1. INTRODUCTION AND REGULATORY FRAMEWORK

This Nomination and Remuneration Policy ("Policy") of Lumax Industries Limited ("Lumax" or "Company") has been formulated under the requirements of applicable laws viz. Section 178 of Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

The Company believes that human resources as an asset are invaluable and play an integral part in the growth and success of the Company. The Company also acknowledges that a Board with diversified expertise and experience, adequate mix of Executive and Independent Directors, provides the desired vision, governance structure and mission to the Company in order to enable it to achieve its goals.

This Policy on the appointment and remuneration of Directors including Independent Directors, Key Managerial Personnel (KMP), Senior Management and other employees provides a referendum based on which the Human Resource Management Team plans and strategises their recruitment plans for the strategic growth of the Company.

The Policy has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

2. Objective

The objective of this Policy are as follows:

- laying down a framework in relation to appointment, remuneration and removal of Directors, KMP and other employees;
- creating a transparent system of determining the appropriate level of remuneration throughout all career levels and roles of the Company;
- Motivate the directors, Key Managerial personnel and other employees, to perform to their maximum potential;
- Ensure consistency in remuneration and benefits throughout the Company;
- Align the performance of the business with the performance of key individuals and teams within the Company;
- Allow the Company to compete in each relevant employment market ; and

- Development and retaining of talent.

3. Constitution of Nomination and Remuneration Committee

In line with the requirements of the Act and Listing Regulations, the Board of Directors has constituted the "Nomination and Remuneration Committee".

The Committee shall at all times (unless stipulated otherwise by law) have at least 3 non-executive directors, out of which one-half shall be independent directors. If the chairperson of the Company appointed as a member of the Committee, he shall not chair such Committee. The Board has authority to reconstitute this Committee from time to time.

Presently, the Nomination and Remuneration Committee comprises of following Members:

S. No.	Name	Category
1	Mr. Rattan Kapur	Chairman (Non- Executive Independent Director)
2	Mr. Avinash Parkash Gandhi	Member (Non- Executive Independent Director)
3	Mr. Dhiraj Dhar Gupta	Member (Non- Executive Independent Director)

4. Role of Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall endeavor to perform its role as prescribed u/s 178(4) of the Act and Regulation 19 of Listing Regulations read with Para A of Part D of Schedule II of the Listing Regulations which is summarized hereunder:

- 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;

ANNEXURE - C (Contd.)

- 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;
- specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

In formulation of the Policy as enumerated above, the Nomination and Remuneration Committee shall ensure to take into account the following principles:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and performance incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

- c) The proposed candidate shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research and development, technical operations, corporate governance or such other areas related to the Company's business as determined by the Nomination and Remuneration Committee. The proposed candidate shall not be discriminated on the basis of race, religion, nationality, sex, disability, or any other basis prohibited by law.
- d) The proposed candidate shall understand and endeavor to balance the interests of shareholders and / or other stakeholders and put the interests of the Company or organization above self-interest. He/she has demonstrated a commitment to transparency and disclosure.

Managing Directors or Whole Time Directors

The Board based on the recommendation of the Nomination and Remuneration Committee shall be responsible for identifying suitable candidate for the position of Managing Director/Whole-time Director. The terms and conditions of the appointment shall be in accordance with the provisions of Act and Listing Regulations.

Independent Directors

Before recommending a nominee's candidature to the Board for being appointed as an Independent Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors:

- The Board shall comprise of optimum number of Directors as is necessary to effectively manage the affairs of the Company. Subject to a minimum of 3 and maximum of 15, the Board shall have an appropriate combination of Executive, Non-Executive, Independent and Woman Directors.
- The Nomination and Remuneration Committee shall be responsible for identifying suitable candidate for appointment as Director of the Company. While evaluating a person for appointment / re-appointment as Director, the Committee shall consider and evaluate including but not limited to background and qualifications, knowledge, skills, abilities, professional experience and functional expertise, personal accomplishment, age, experience of automobile/auto component industry, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board.
- An Individual should fall within the purview of definition and criteria of "independence" as set out in Section 149 of the Act, the Listing Regulations and other applicable laws;
- is a person of integrity and possesses relevant expertise and experience;
- who is or was not a promoter of the Company or its holding, subsidiary or associate company;
- who is not related to promoters or directors in the Company, its holding, subsidiary or associate company;
- Has attained minimum age of 25 years;
- Does not hold directorship in more than seven listed entities;

5. Appointment/ Nomination of Directors

General Criteria

ANNEXURE - C (Contd.)

- g) Does not hold directorship in more than three listed entities if serving as a whole-time director in any listed entity.

6. Remuneration of Directors

The Company shall strive to have a remuneration structure which should be reasonable and sufficient in order to justify the position and responsibility and to retain the Directors. The relationship of remuneration to performance should be clear and should meet appropriate performance benchmarks. The Committee shall be responsible for reviewing and making recommendations to the Board on Remuneration of Executive Directors and Non- Executive/ Independent Directors which shall be done in accordance with applicable law and amendments thereof.

Managing Directors or Whole Time Directors

- a) The Committee shall determine remuneration structure for Managing Directors/ Whole Time Directors taking into account factors it deems relevant, including but not limited to market scenario, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and Government/other guidelines.
- b) The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the provisions of the Act, and the rules made thereunder.
- c) Any changes to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director/ Whole-time Director.
- d) Where any insurance is taken by the Company on behalf of its Directors for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) If, during any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/ Executive/ Whole-time Director(s) in accordance with the provisions of Schedule V of the Act.

Non- Executive Directors/Independent Director:

The Non- Executive Directors or the Independent Directors may receive remuneration by way of:

- Sitting fees for participation in the Board and other meetings
- Commission as approved by the Shareholders of the Company
- Reimbursement of expenses in connection with participation in the Board and other meetings.

The Independent Directors shall not be entitled to any stock options. Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. Provided that the amount of such fees shall not exceed the maximum permissible under the Act.

7. Appointment of Key Managerial Personnel and Senior Management Personnel (Not being Director)

The Executive Management Team (Key Managerial Personnel and Senior Management Personnel) is responsible for managing the Company's core business operations as a whole and management of day to day affairs of the Company.

Pursuant to the provisions of Section 2(51) of the Act, the Key Managerial Personnel (KMP) with reference to the Company means:

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Whole-Time Director;
- (iii) the Chief Financial Officer;
- (iv) the Company Secretary;
- (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- (vi) such other officer as may be prescribed.

Pursuant to the provisions of Regulation 16(d) of the Listing Regulations, the Senior Management Personnel with reference to the Company means:

"Officers/personnel of the listed entity who are Members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer."

ANNEXURE - C (Contd.)

The nomination and appointment of KMP and Senior Management Personnel (Not being Director) shall be governed in accordance with following guidelines:

- a) The Nomination and Remuneration Committee shall be responsible for identifying suitable candidate for the position of Key Managerial Personnel i.e. Chief Financial Officer, Company Secretary, and other Senior Management Personnel;
- b) The appointment of Key Managerial Personnel and Senior Management Personnel shall be approved by the Board on recommendation of the Nomination and Remuneration Committee;
- c) While evaluating a person for appointment / re-appointment in a senior management position, the management shall consider various factors including individual's background, core competencies, skills, attributes, personal traits (viz. leadership, ability to exercise sound judgement), educational and professional background, personal accomplishment, age, relevant experience and understanding of related field viz. marketing technology, finance or such other discipline relevant to present and prospective operations of the Company;
- d) The KMP or Senior Management Personnel on its appointment shall not hold office or place of office in addition to the Company and shall not engage in business activity which might detrimentally conflict with the interest of the Company.

8. Remuneration of Key Managerial Personnel and Senior Management Personnel (Not being Director)

The remuneration of Key Managerial Personnel and Senior Management Personnel (Not being Director), at the time of appointment shall be decided by the Committee and recommended to the Board.

The remuneration of Key Managerial Personnel, Senior Management Personnel of the Company (not being director) shall comprise of one or more of the following components which shall be decided by Company's Human Resources Department:

1. Fixed Pay
2. House Rent Allowance
3. Perquisites and Allowances
4. Re-imbursement Medical Expenses
5. Contribution to P.F.
6. Such other allowances, benefits and perquisites as may be decided.

The KMP and Senior Management Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the Company. Thereafter, the remuneration shall be determined within the appropriate grade and is based on an individual's experience, skill, competencies and knowledge relevant to the job and an individual's performance and potential contribution to the Company.

The decision on revision in remuneration and annual increments on remuneration of KMP and Senior Management Personnel shall be decided by the Chief Executive Officer and Senior Executive Director in consultation with Human Resources Department within the overall framework of compensation and appraisal policy of the Company.

9. Appointment and Remuneration of Other Employees.

The appointment of other employees shall be made on the basis of the experience, qualification, expertise of the individual as well as the roles and responsibilities required for the position and shall be approved by the Human Resource Department. The remuneration for other employees would be as per the appraisal and compensation policy of the Company, as revised through the annual review process from time to time and approved by the Chief Executive Officer & Senior Executive Director in consultation with the Head of Human Resources Department.

10. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive/ Whole Time Director for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the shareholders of the Company and disclosure of such appointment in Boards Report. The re-appointment / extension of term of the Director shall be on the basis of their performance evaluation.

No Independent Director shall hold office for more than two consecutive terms, but such Independent

Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

11. Evaluation of the Performance of the Board of Directors

Section 178(2) of the Act casts upon the Nomination and Remuneration Committee, the responsibility to specify the manner for effective evaluation of Performance of Board, its committees and Individual Directors. This evaluation process aims to ensure that individual Directors and the Board of Directors of the Company as a whole work efficiently and effectively towards achieving Company's objectives. This evaluation forms part of this Policy and aims at establishing a procedure for the Board to conduct periodic evaluation of Members and of its committees. In deciding the methodology to be adopted for performance evaluation the Committee/Board may resort to below mentioned procedures:

Internal Evaluation:

In case of internal evaluation, the Committee is responsible for managing both the process as well as the content. The performance may generally be evaluated by a standard questionnaire. The specific issues and questions that should be considered in a performance evaluation of the entire Board, Independent Directors, Non-Independent Directors, Committees can be determined by the Committee from time to time.

External Evaluation:

External evaluation may be externally facilitated. Externally facilitated evaluations are undertaken with the assistance of an external expert. However, the Company is not adopting this method at this initial stage of implementation.

12. Frequency of Board Evaluation

Section 134(3)(p) of the Act provides that there has to be a formal annual evaluation of Board of its own performance and that of its committees and individual directors. The Company may undertake annual evaluation either in accordance with calendar year or financial year, as there is no clarity on this. Ideally, the same should be as per financial year.

13. Disclosure

The policy shall be disclosed in the Board Report, Annual Report, website and such other places as may be required by the Act and rules framed thereunder, Equity Listing Agreement entered into with the stock exchanges (including any statutory modification(s) or reenactment thereof) and such other laws for the time being in force.

14. Administration, Review and Amendment of the Policy

The Nomination & Remuneration Committee shall monitor and periodically review the Policy and recommend the necessary changes to the Board for its approval. The Head of Human resources Department and the Company Secretary are jointly authorized to amend the policy to give effect to any changes/amendments notified by Ministry of Corporate Affairs or the Securities and Exchange Board of India. The amended policy shall be placed before the Board for noting and ratification. The Board shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

15. Clarification

In case of any clarification, any person may contact the Chief Compliance Officer & Company Secretary at the Corporate Office.

ANNEXURE - D

FORM NO. AOC-2

Form for Disclosure of Particulars of Contracts/Arrangements entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Act including certain Arm's Length Transactions under third proviso thereto

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1.	Details of contracts or arrangements or transactions not at arm's length basis	
(a)	Name(s) of the Related Party and nature of relationship	Not Applicable (All the transactions were at arm's length basis)
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis	
(a)	Name(s) of Related Party and nature of relationship	Lumax Auto Technologies Limited
(b)	Nature of contracts/arrangements/transactions	Purchase/sale of raw materials, finished goods, sale, purchase, transfer or receipt of products, goods, materials, assets or availing or rendering of services, Rent/ Leasing Transactions & Rent Deposits, Reimbursement of Expenses etc.
(c)	Duration of the contracts/arrangements/transactions	1 April 2020 to 31 March 2021
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 21,859.48 Lakhs
(e)	Date(s) of approval by the Board	9 November 2020
(f)	Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors
Lumax Industries Limited

Place : New Delhi
 Date : 11 June 2021

Deepak Jain
 Chairman & Managing Director
 DIN : 00004972

ANNEXURE - E

Statement of Disclosure of Remuneration pursuant to Section 197 of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. Ratio of the Remuneration of each Executive Director to the Median Remuneration of the Employees of the Company for the FY 2020-21 and the Percentage increase in Remuneration of Managing Directors, other Executive Directors, Chief Financial Officer and Company Secretary during the FY 2020-21.

S. No.	Name of the Executive Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median Remuneration of all Employees	% increase/(Decrease) in Remuneration during the FY 2020-21 ^{\$}
1.	Mr. Deepak Jain	Chairman & Managing Director	71.18	(36.53)
2.	Mr. Anmol Jain	Joint Managing Director	7.95	(51.72)
3.	Mr. Vineet Sahni	CEO & Senior Executive Director	72.92	(34.57)
4.	Mr. Tadayoshi Aoki	Senior Executive Director	4.84	(7.16)
5.	Mr. Kenjiro Nakazono #	Executive Director	NA	NA
6.	Mr. Shruti Kant Rustagi	Chief Financial Officer	NA	(12.64)
7.	Mr. Pankaj Mahendru*	Company Secretary	NA	NA

- B. There is increase/(decrease) in the Median Remuneration of Employees for the FY 2020-21 by (21.27%).
- C. The number of Permanent Employees on the rolls of the Company as on 31 March 2021 was 2,493.
- D. The Average Percentage increase/(decrease) in the salaries of the employees other than the Managerial Personnel for the Financial Year was (10.46%) whereas the decrease in the Managerial remuneration was (35.24%). The remuneration components in case of Chairman and Managing Director, Joint Managing Director and CEO & Senior Executive Director includes Commission paid which is linked with the profitability of the Company.
- E. Affirmation that the remuneration is as per the Remuneration policy of the Company:
The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Act.

Notes:

- \$ Due to Voluntary Salary cut during the first half of FY 2020-21.
- # Mr. Kenjiro Nakazono was appointed as an Executive Director in the Company w.e.f. 18 June 2020. Hence, no comparable figure is available for FY 2020-21.
- * Mr. Pankaj Mahendru was appointed as a Senior Manager in the Company w.e.f. 23 October 2019 and was appointed as a Company Secretary of the Company w.e.f. 12 November 2019. Hence, no comparable figure is available for FY 2020-21.

SECRETARIAL AUDIT REPORT

ANNEXURE - F

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

[Pursuant to section 204(1) of the Act and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Lumax Industries Limited

2nd Floor, Harbans Bhawan-II,
Commercial Complex,
Nangal Raya, New Delhi-110 046

We were appointed by the Board of Directors of Lumax Industries Limited (hereinafter called the Company) to conduct Secretarial Audit for the financial year of the Company ended 31 March 2021.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Management's Responsibility for Secretarial Compliances

The Company's management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Auditors Responsibility

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

The secretarial audit report is neither an assurance to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Opinion

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021 according to the provisions of:

- (i) The Act (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable to the Company during the year under review;**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not applicable to the Company during the year under review;**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable to the Company during the year under review;**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable to the Company;**

ANNEXURE - F (Contd.)

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable to the Company during the year under review; and**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable to the Company during the year under review;**
- (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the financial year ended March 31, 2021, complied with the aforesaid laws, material compliances as are listed in the Annexure attached to this report.

Based on information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that

took place during the financial year under review were carried out in compliance with the provisions of the Act.

2. Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. The Company has proper Board processes.

Based on the compliances mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on records by the Board of Directors at their meeting(s), we are of the opinion that the management has:

- a) adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b) Complied with the following laws applicable to the Company:
 - (i) Factories Act, 1948
 - (ii) Standing Order Act, 1946
 - (iii) The Industries (Development and Regulation) Act, 1951
 - (iv) The Contract Labour (Regulation and Abolition) Act, 1970,
 - (v) The Child Labour (Prohibition and Regulation) Act, 1986,
 - (vi) The Workmen's Compensation Act, 1923,
 - (vii) The Environment (Protection) Act, 1986,

Maneesh Gupta

FCS No. 4982

C P No. 2945

UDIN: F004982C000335048

Place : New Delhi

Date : 18 May 2021

ANNEXURE - F (Contd.)

ANNEXURE TO SECRETARIAL AUDIT REPORT

In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has during the financial year under review, complied with the provisions of the Acts, Rules made thereunder and the Memorandum and Articles of Association of the Company with regard to:

1. Maintenance of various statutory registers and documents and making necessary entries therein;
2. Contracts and Registered Office and publication of name of the Company;
3. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, NCLT or such other authorities;
4. Service of documents by the Company on its Members, Directors, Stock Exchanges, Auditors and Registrar of Companies;
5. Constitution of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Share Transfer/ Stakeholders Relationship Committee, Corporate Social Responsibility Committee;
6. Appointment, re-appointment and Retirement of Directors including Managing Director and Executive Directors and payment of remuneration to them;
7. Disclosure of interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interest in other entities by Directors;
8. Disclosure requirements in respect to their eligibility for appointment, declaration of their independence, compliance with code of conduct for Directors and Senior Management Personnel;
9. Established a policy on related party transactions. All transactions with related parties were in the ordinary course of business and on arms-length basis and were placed before the Audit Committee periodically;
10. Established a vigil mechanism and providing to complainants, if any, unhindered access to the Chairman of the Audit Committee.
11. Constituted the Corporate Social Responsibility Committee formulating and adopting Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company;
12. Appointment of persons as Key Managerial Personnel;
13. Appointment and remuneration of Statutory Auditor and Cost Auditor;
14. Appointment of Internal Auditor;
15. Notice of meetings of the Board and Committee thereof;
16. Minutes of meetings of the Board and Committees thereof including passing of resolutions by circulations;
17. Notice convening AGM held on 28 August 2020 and holding of the meeting on that date;
18. Minutes of General meeting;
19. Approval of Members, Board of Directors, Committee of Directors and government authorities, wherever required;
20. Form of Balance Sheet as at 31 March 2020 as prescribed under the Act;
21. Report of the Board of Directors for the financial year ended 31 March 2020;
22. Borrowings and registration of charges;

Maneesh Gupta

FCS No. 4982

C P No. 2945

UDIN: F004982C000335048

Place : New Delhi
Date : 18 May 2021

ANNEXURE - G

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31 MARCH 2021

1. Brief outline on CSR Policy of the Company.

At Lumax, the social and environment responsibility has always been integral part of the system. Our commitment to be a good corporate organization has been strengthening and re-enforcing by actively assisting in the improvement of quality of life of the people in the communities, giving preference to local areas around our business operations. It is our belief that involvement in social issues must be deep, meaningful and formed on the bedrock of long-term commitment, for that is the only way by which real change can happen on the ground. We shall continue to relentlessly strive in our endeavor of nation-building, sustainable development, accelerated inclusive growth and social equity.

The main objective is to make CSR a key business process for sustainable development of the society. Through this policy, the Company aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of the policy.

2. Composition of CSR Committee (As on 31 March 2021):

S. No	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Deepak Jain	Chairman	2	2
2	Mr. Anmol Jain	Member		2
3	Mr. Avinash Prakash Gandhi	Member		2

Note: Mr. Munish Chandra Gupta, Non-Executive Independent Director and Chairman of the CSR Committee ceased to be a member of the Committee consequent upon resignation from the Board w.e.f. 4 December 2020. The Board reconstituted the Committee in its meeting held on 11 February 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

<https://www.lumaxworld.in/lumaxindustries/corporate-social-responsibility.html>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). NOT APPLICABLE

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Nil

6. Average net profit of the Company as per section 135(5): ₹ 8,190.42 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 163.81 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 163.81 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under schedule VII as per second proviso to Section 135(5) (in ₹)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 1,17,27,148	₹ 46,54,000	29 April 2021		No	

ANNEXURE - G (Contd.)**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in ₹).	(8) Amount spent in the current financial Year (in ₹).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	(10) Mode of Implementation - Direct (Yes/No).	(11) Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	Class Room Construction in school	Education	Yes	Gujarat	Ahmedabad	Started during FY 2020-21	52,99,000	26,45,000	26,54,000	No	Lumax charitable Foundation	CSR000 01955
2.	Life skill for primary school	Education	Yes	Haryana	Gurugram	Started during FY 2020-21	30,00,000	10,00,000	20,00,000	No	Lumax charitable Foundation	CSR000 01955
TOTAL							82,99,000	36,45,000	46,54,000			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in ₹).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Computer teacher Salary	Education	Yes	Haryana	Gurugram	90,000	NO	Lumax Charitable Foundation	CSR00001955
2.	Life skill	Education	Yes	Haryana	Rewari	5,53,580	NO	Lumax Charitable Foundation	CSR00001955
3.	Career counselling	Education	Yes	Haryana, Gujarat, Maharashtra	Rewari, Ahmedabad, Pune	10,00,000	NO	Lumax Charitable Foundation	CSR00001955
4.	Girl Child Education	Education	Yes	Haryana	Gurugram	14,36,500	NO	Lumax Charitable Foundation	CSR00001955
5.	Rotary	Donation				45,000	NO	Lumax Charitable Foundation	CSR00001955
6.	Eye screening & Cataract Surgeries	Health	Covering under-privileged people from different states	Uttar Pradesh	Gautam Buddha Nagar	9,00,000	NO	Lumax Charitable Foundation	CSR00001955
7.	Cancer camp and Cancer patient support	Health	Yes	Haryana, Delhi	Gurugram, Delhi	10,00,000	NO	Lumax Charitable Foundation	CSR00001955

ANNEXURE - G (Contd.)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
8.	Scholarship	Education	Yes	Haryana, Gujarat, Maharashtra	Gurugram, Ahmedabad, Pune	9,14,860	NO	Lumax Charitable Foundation	CSR00001955
9.	Homeopathy clinic	Health	Yes	Delhi	Delhi	36,688	NO	Lumax Charitable Foundation	CSR00001955
10.	Covid – relief (Ventilators)	Health	Yes	Haryana	Gurugram	18,48,000	Yes	NA	NA
11.	Dry Ration during Covid-19	Health	Yes	Haryana	Gurugram	2,42,520	Yes	NA	NA
12.	Dry Ration during Covid-19	Health	Yes	Telangana	Hyderabad	15,000	Yes	NA	NA
	TOTAL					80,82,148			

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹ 1,17,27,148 (excluding the unspent amount of ₹ 46,54,000).

(g) Excess amount for set off, if any Not Applicable

S. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	Not Applicable
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years:

S. No	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (In ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.				NIL			

ANNEXURE - G (Contd.)**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (In ₹)	Status of the project - Completed / Ongoing.
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year **Not Applicable**
11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).
Due to COVID – 19 Pandemic, the Company was not able to spend its entire obligation of CSR Amount during the FY 2020-21.

Vineet Sahni
 (CEO and Sr. Executive Director)

Deepak Jain
 (Chairman CSR Committee)

Date: 11 June 2021

ANNEXURE - H

Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo

(Pursuant to Section 134(3)(m) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014 for the year ended 31 March 2021)

(A) CONSERVATION OF ENERGY

Energy conservation plays a significant role of lessening climate change. It helps the replacement of non-renewable resources with renewable energy. Energy conservation is often the most inexpensive solution to energy shortages, and it is more environmentally kind alternative to increased energy production. Energy conservation can result in increased financial capital, environmental quality, national security, personal security and human comfort. The Company being direct consumer of energy, through its persistent efforts has always endeavored to conserve energy by reducing energy costs thereby promoting economic security.

(i) Some of the key Steps taken and their impact on conservation of energy are as below:

a. Energy conservation by improving over all efficiency of equipments like:

1. Reducing energy consumption of chiller network system

- i) Replacement of inefficient chiller system with energy efficient chiller system.
- ii) Decrease in chiller compressor running hour by providing a reservoir tank to the chiller network system.

2. Reduction of Energy consumption in compressed air network

- i) Pneumatic ionized bar replaced with electric fan.
- ii) Replacement of old GI compressed air pipe with aluminium air pipe thereby reducing the leakage and overall pressure drop across the line.
- iii) Reduction in generation pressure of compressor by leakage arresting.
- iv) Installation of variable frequency drives on compressor thereby reducing the unload power consumption of compressor.
- v) Reduction in energy consumption by reducing the artificial demand component of compressed air losses with constant and optimized pressure.

- vi) Auto drain trap for receivers instead of timer based drain trap.

3. Reducing energy consumption of pumping system

- i) Replacement of inefficient pumps with energy efficient pumps.
- ii) Reducing pumping cost with the installation of variable frequency drives on pumps so as to reduce the pumping volume wherever higher capacity pumps are being operated.
- iii) Modification of process pump pipe network to reduce the friction loss thereby reducing overall pumping cost of system.

4. Reducing energy consumption of Air Conditioning System

- i) Replacement of old and non star rated ACs with star rated energy efficient ACs.
- ii) Installation of frigitech solution in ACs which removes oil build up inside the copper pipes and improves the efficiency of heat transfer which results into lower running hour of compressor thereby improves specific energy consumption of ACs.

5. Reducing energy cost by decreasing energy bill

- i) Reducing fixed charges by reducing the contract demand with analysis of overall demand consumption around the year.
- ii) Offtake cheaper power through power trading in plants wherever applicable.

6. Reduction in Energy consumption of process by reducing the radiation losses

The Company has insulated the equipments with higher surface temperatures such as:

- i) Injection Molding Machine Hopper Insulation.
- ii) Insulation paint on oven with high surface temperature.

ANNEXURE - H (Contd.)

7. Reduction in Energy consumption of Cooling Tower

- i) Reducing energy consumption of cooling tower by replacement of CI fan with FRP fan.
- ii) Reducing energy consumption of cooling tower by interlocking of CT fan speed with cooling tower outlet water temperature.

8. Reduction in Energy consumption of Motor system

- i) Replacement of conventional motors with energy efficient motors.
- ii) Replacement of higher capacity motors with lower capacity motors with load analysis of motor.
- iii) Installation of variable frequency drives on motors having variable speed requirement.

(ii) Implementation of Energy Monitoring System

The Company had implemented Online Cloud & local monitoring server based Energy Monitoring System for its Plants for continual monitoring of Specific Energy Consumption of Process & Machine.

(iii) Plans Formulated for Conservation of Energy**a. Steps taken by the Company for utilizing roof top for generation of energy through a renewable source of energy**

The Company has installed roof top Solar panels in following plants:

S. No.	Plant	Capacity (kW)	Mode of Implementation
1	Sanand	250	Capex
2	Bawal	750	Capex
3	Dharuhera	713	Opex
4	Pantnagar	526	Opex
5	Chakan	602	Opex
	Total	2841	

Total approximately 2.84 MW of solar roof top panels installed for harnessing renewable energy for the manufacturing process. Also, the Company has planned of utilizing the roof top of under commissioning plant for the generation of green energy.

b. Steps taken by the Company for alternate cheaper source of energy through a long term group captive generation

The Company is in discussion with various power producers who are physically present in group captive mode and have set up/ under final stage of completion of their captive plant for renewable energy for Haryana, Karnataka and Maharashtra region which will fetch us huge amount of savings in energy cost and will also reduce the carbon footprint.

(iv) Energy Management System (EnMS) ISO-50001

The Company has already obtained Energy Management System (EnMS) ISO-50001 for one of its plant located at Bawal and planning to get certified for all the plants. This certification will help plants to keep a check on the energy consumption of plant and thereby help in continual improvement in energy consumption reduction.

(v) Energy Monitoring System

As per the objective of the Company for continuous improvement on each process and monitor real time data base to avoid any resource loss we have installed energy monitoring systems in plants of Bawal, Dharuhera, Chakan, Bangalore, Sanand and have planned to completely connect all plants with this cloud based central monitoring system.

(B) TECHNOLOGY ABSORPTION:**(i) The efforts made towards technology absorption**

- a. In house design and development of Class D LED Head Lamp with Single chip LED (First time in India) for 2W.
- b. In house design and development for smallest 2W Tail Lamp with LED (Lumax Smallest)
- c. In house design of LED Winker Lamp with very small size for 2W (Single Chip LED)
- d. Inhouse design of Full LED Fender Lamp with Sequential Turn (First time in Tractor Industry)
- e. Inhouse design of Full LED Head Lamp (First time in Tractor Industry)
- f. Inhouse design of Projector Head lamp to meet India/ Europe/ USA Market requirements (First time in Tractor Industry)
- g. Inhouse design of Direction Indicator Lamp having 3 in 1 Function (First time in Tractor Industry)

ANNEXURE - H (Contd.)

- h. 2W Head lamp with DRL Cum Position lamp (First time in Lumax)
- i. Inhouse micro controller based design & embedded software development.
- j. Inhouse Electronic Test Lab established in Pune with basic testing capabilities.
- k. Inhouse design 4W Full LED Head lamp having both reflector & Projector technology integrated with sequential Turn.
- l. Inhouse design 4W Full LED Tail lamp with diffuser lens & sequential Turn.
- m. First time india integrated LED front fog lamp, DRL, Front Position & Cornering in Single Lamp unit.
- n. Individual High Beam & Low Beam LED Projector Head lamp (First time in Lumax).
- o. Inhouse design 4W Full LED Head lamp with 3 IN 1 Function (DRL, Turn Indicator, Position).

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- a. Self-Reliance in Technology- The Design team aligned with customer right from the concept stage to provide end to end solution. This move of the Company turned it into a Solution Provider from Product Supplier.
- b. The future of lighting is LED and Lumax being a leader in Automotive Lighting has already built an edge over its competitors to provide new technology products to the customers with the support of its Technical & financial Collaborator, Stanley, Japan.
- c. The Engineers of the Company are being trained in Stanley, Japan which shall prove to be beneficial for customer as well for our country with respect to localization of design as well as technology transfer in long run.
- d. Stanley, Japan continues to provide extensive support in in-house design and development activities and under its leadership two senior designers are stationed at Company. This has enabled to provide prompt technical solution to customers for their immediate needs.

(iii) In case of Imported Technology (imported during last four years reckoned from the beginning of the Financial Year) :

a.	Technology Imported	NIL	Light Curtain	Bi LED Projector Unit for Headlamps	Mono Projector Unit for Head lamp
b.	Year of Import	2017-18	2018-19	2019-20	2020-21
c.	Whether the technology been fully absorbed	NIL	Absorbed in 2 wheeler Position Lamps	Absorbed in Higher Variant of Vehicle model	Absorbed in 4 wheeler Head Lamps
d.	If not fully absorbed, areas where absorption has not taken place, and the reason thereof	NIL	This technology, in future can be used in 2 wheeler/ 4 wheeler Lamps	Currently due to high cost it is not yet adopted in base version. Initiated for Localization.	This technology has the potential for being used in future models of 4 wheeler Head Lamps.

(iv) Research and Development (R & D)

Automobile industry is growing at a tremendous pace with increasing demand from within the country as well as from other countries. The Company is making significant investment in Research and Development (R&D), Technology Development and innovation for achieving growth, business profitability and sustainability. To have better and advanced services to customers Lumax opened Design Center in Taiwan 5 (Five) Years back.

To further strengthen its R&D capabilities, the Company is planning to have another Design Center situated in Czech Republic.

a. Specific areas in which R & D carried out by the Company.

- Designing of BI- LED & Mono Low Cost Projector Headlamp for 4 wheeler.
- Innovative Signaling Feature (Welcome & Good Bye).
- Innovative Signaling Feature With Diffractive Optics.
- Next Generation O-LED Signaling Option.
- Projection System as safety & Styling features.

ANNEXURE - H (Contd.)

b. Benefits derived as a result of the above R&D

- Complete in-house designing of LED headlamp, to become self reliant.
- Integration of New & Advance Technology in Automotive Lighting System (Welcome & Good Bye, Diffractive Optics, Projection System etc. in India)

c. Future plan of action

Further enhancing the technology gained after working on BI-LED and LED based Lamps. Understanding the technology, especially for 4 wheelers using different LED sources for Low beam and High Beam.

- Introduction of localized BI-LED/ Mono LED Projectors as Make In India Initiative.
- Introduction of Reflector Based LED For 4W & Tractor Application.

d. The Expenditure incurred on Research and Development (R&D):

(₹ in Lakhs)

Particulars	FY 2020-21	FY 2019-20
(i) Capital	326.44	166.48
(ii) Recurring	3,787.82	4,433.33
Total	4,114.26	4,599.81
(iii) Total R&D Expenditure as a % of Total Revenue	2.89%	2.87%

(C) The Foreign Exchange earned in terms of actual**(i) Inflows during the year ₹ 3,342.43 Lakhs.****(ii) The Foreign Exchange outgo during the year in terms of actual outflows is ₹ 29,345.10 Lakhs.****Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans;**

Your Company is continuously striving for growth in business in the export market. During the Year under review, the following export development and promotion measures were taken:

- I. Lumax has submitted the samples of LED Head Lamp to its existing export customer, John Deere, US for application in its New Generation Tractors. The samples are currently under evaluation at the US site of customer.
- II. Development of LED Work Lamp (with Switch) for CNH. The lamp will come under mass production from Oct'21 and shall be exported to US market.
- III. Started discussion with Audi and other European customers for supply of Small Lamps like CHMSL.
- IV. On-going discussion with existing customers, Trucklite and John Deere for upgradation of Conventional lamps to LED Lamps.
- V. Engagement with existing Export Customers for increasing the business by offering off the shelf products.
- VI. Engaging with OEMs based out of Central Europe through our New Design Center in Czech republic.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L74899DL1981PLC012804
2. Name of the Company	Lumax Industries Limited
3. Registered address	2 nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046 Tel. +91-11 49857832
4. Website	www.lumaxworld.in/lumaxindustries
5. E-mail id	lumaxshare@lumaxmail.com
6. Financial Year reported	2020-21
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Automotive Lamp Activity Code: 2740
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	Head Lamp, Tail Lamp & other Auxiliary lamps (Fog Lamp, High Mount Stop Tail Lamp)
9. Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5) (b) Number of National Locations	Company has One Design Center in Taiwan Company has 10 Manufacturing Plants in India at below mentioned locations: <ul style="list-style-type: none"> Gurugram, Dharuhera, Manesar, Bawal (Haryana) Pant Nagar, Haridwar (Uttarakhand) Chinchwad, Chakan (Pune, Maharashtra) Bengaluru (Karnataka) Sanand (Gujarat) Besides, Company has two Government approved R&D Centers (Gurugram, Haryana & Chakan, Pune)
10. Markets served by the Company – Local/State/National/International	Local/State/National/International markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY (STANDALONE)

Financial Details of the Company		Amt ₹ in Lakhs	
		FY 2020-21	FY 2019-20
1	Equity Share Capital	934.77	934.77
2	Total Turnover		
	a) Revenue from operations	1,42,598.07	1,60,158.72
	b) Other Income	2,523.38	966.19
3	Total Profit after taxes	1,703.85	7,230.69

4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

The Company has spent an amount of ₹ 163.81 Lakhs (including unspent amount of ₹ 46.54 Lakhs pertaining to ongoing projects, which have been deposited in separate accounts as per applicable law). (detailed in the Annexure G which forms part of the Annual Report).

Business Responsibility Report (Contd.)

5. List of activities in which expenditure in 4 above has been incurred:

Education, Health and COVID relief.

SECTION C: OTHER DETAILS

Sr. No.	Particulars	Details
1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies)	N.A.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%	The Company encourage its other stakeholders i.e. suppliers, distributors etc. in the value chain to participate in its BR initiatives, however it does not track the actual participation.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

- DIN Number: 03616096
- Name: Mr. Vineet Sahni
- Designation: CEO and Senior Executive Director

(b) Details of the BR head

Sr. No.	Particulars	Details
1	DIN	03616096
2	Name	Mr. Vineet Sahni
3	Designation	CEO and Senior Executive Director
4	Telephone Number	0124-4760000
5	Email id	lumaxshare@lumaxmail.com

2. Principle-wise (as per NVGs) BR Policy/policies

Principle 1 (P1)	Principle 2 (P2)	Principle 3 (P3)
Business should conduct and govern themselves with Ethics, Transparency and Accountability	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Business should promote the well-being of all employees
Principle 4 (P4)	Principle 5 (P5)	Principle 6 (P6)
Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	Businesses should respect and promote human rights	Business should respect, protect, and make efforts to restore the environment
Principle 7 (P7)	Principle 8 (P8)	Principle 9 (P9)
Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Business should support inclusive growth and equitable development	Businesses should engage with and provide value to their customers and consumers in a responsible manner

Business Responsibility Report (Contd.)

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?**	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://www.lumaxworld.in/lumaxindustries/policies.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The BR policies and its implementation are evaluated internally.								

* The Whistle Blower Policy, Code of Conduct, Prevention of Sexual Harassment Policy and Corporate Social Responsibility Policy are framed as per the requirements of the respective legislations of India. Environment policy conforms to ISO - 14001 which is an international standard released by International Standards Organization (ISO).

** The Whistle Blower Policy and Code of Conduct are overseen by the Audit Committee of the Board of Directors of the Company and Corporate Social Responsibility Policy is overseen by the Corporate Social Responsibility Committee of the Board of Directors of the Company. Prevention of Sexual Harassment Policy is being overseen by Internal Complaints Committee (ICC) constituted under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The grievance, if any, arising out of Whistle Blower Policy, Code of Conduct and Prevention of Sexual Harassment Policy is being redressed by the respective committees which oversee them.

Business Responsibility Report (Contd.)

(b) If answer to the questions at serial number (a) above against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	NOT APPLICABLE								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The BR Head periodically assesses the BR performance of the Company.

(b) Does the Company publishes a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This BRR forms part of the Annual Report of the Company that is published. The Annual Report is uploaded on the website of the Company <https://www.lumaxworld.in/lumaxindustries/annual-report.html>

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?

All employees working in the Company are governed by the Company's policies on Ethics, Transparency and Accountability along with the Code of Conduct. The Company also has in place a Whistle Blower Policy. The Company's Code of Conduct and policy on Ethics, Transparency & Accountability addresses subjects like bribery, corruption, compliance to the Company's standards of business conduct and ethics and ensures compliance with regulatory requirements.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholder	Complaints Received during FY 2020-21	Complaints Resolved during FY 2020-21	Complaints Resolved (%)
Investors	165	165	100
Employees (Whistle Blower)	Nil	N.A.	N.A.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is engaged in the business of manufacturing of automotive lamps i.e. Head Lamps, Tail lamps and other auxiliary lamps. Although these products have insignificant social or environmental concern or risk, the Company follows strict adherence processes in compliance with the statutory norms.

Business Responsibility Report (Contd.)

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company has taken/always take efforts for optimum utilization of all resources.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, The Company has a procurement policy in place for purchase of goods and raw material. The Company evaluates the performance for all the vendors on the basis of Productivity, Quality, Cost, Delivery, Development, Safety and Response.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company has dedicated Supplier Quality Assurance (SQA) and Safety team who hand hold, mentor all supplier partners and evaluate their performance periodically. The team visits their facilities, analyze quality related aspects, safety measures and create action plans jointly with the suppliers, for necessary improvement. The Company has also established DOJO (training centre) centre at various supplier premises as per customer requirement for continual improvement in productivity, quality and reduction in cost.

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The nature of the Company's business is such that there are no significant emissions or process wastes. The Company recycle materials (< 5%) wherever possible else disposes off in compliance with applicable statutory provisions.

Principle 3

- Please indicate the Total number of employees. On roll – 2,493; Casuals/Contractuals – 3,135
- Please indicate the Total number of employees hired on temporary/contractual/casual basis - 3,135
- Please indicate the Number of permanent women employees. 263
- Please indicate the Number of permanent employees with disabilities - NIL
- Do you have an employee association that is recognized by management. - YES
- What percentage of your permanent employees is members of this recognized employee association – 23.6%
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	0	0
2	Sexual harassment	1	0
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

No.	Category	% Employees that were given safety training	% Employees that were given skill upgradation training
1	Permanent Employees	35%	38%
2	Permanent Women Employees	45%	47%
3	Casual/Temporary/Contractual Employees	93%	92%
4	Employees with Disabilities	N/A	N/A

Business Responsibility Report (Contd.)

Principle 4

1. Has the Company mapped its internal and external stakeholders?

Yes.

Both internal and external of the Company, play a significant role in expressing Company 's values, carrying out mission, developing strategies, implementing processes and fostering long-term relationships.

Internal and external stakeholders include Employees, Shareholders, Investors, Customers, Regulatory bodies, Supply chain partners, CSR beneficiaries, Governments, etc.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, the Company has identified the disadvantaged, vulnerable & Marginalized stakeholders viz. unemployed & unskilled youth, people having limited or no access to basic education. The Company has taken initiatives to engage with the disadvantaged, vulnerable, marginalized stakeholders as per its CSR policy.

Principle 5

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Company respects the dignity of all individuals and communities and adheres to the principles of Human Rights. The Company has adopted Code of Conduct and whistle blower policy. These policies are applicable to all employees of the Company. The underlining principles are communicated to all the vendors, suppliers and distributors and other key business associates of the Company, which they are expected to adhere to while dealing with the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Stakeholder	Complaints Received during FY 2020-21	Complaints Resolved during FY 2020-21	Complaints Resolved (%)
Employees (Whistle Blower)	Nil	N.A.	N.A.
Employees (Sexual Harassment)	1	1	100
Shareholders	165	165	100

Principle 6

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Environment Policy is applicable to the Company across all its Plants and Offices. The vendors are governed by their respective policies. Adherence to environmental laws and regulations is one of the pre-requisites for awarding a contract to any vendor.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The Company has been undertaking various initiatives to address environmental issues. The emissions or waste generated by the Company are within the permissible limits specified by the Central Pollution Control Board (CPCB) and/or specific State Pollution Control Board (SPCB). Company's Certain plants are certified under ISO 14001 Standards for Environment Management Systems (EMS).

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

Business Responsibility Report (Contd.)

- 4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

The Company continues to work towards development and implementation of climate change mitigation mainly through energy saving projects (including generation of power through wind mills and solar) across the Company. However, the Company does not have any registration of CDM projects.

- 5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

The measures introduced by the Company for conservation of energy at its plant locations are contained in the Report on Conservation of Energy and Technology Absorption, which forms part of the Board's Report.

- 6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes

- 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

1 (One).

Principle 7

- 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is a member of several leading Industry Associations, including:

- ACMA - Automobile Component Manufacturers Association,
- SIAM - Society of Indian Automobile Manufacturers
- CII - Confederation of Indian Industries,

- 2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

The Company is taking up various suggestions / issues related to trade to the relevant authorities through these associations.

Principle 8

- 1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

In keeping with India's Sustainable Development Goals identified by the Niti Aayog, The Company is committed to support – Quality Education and Good Health for the disadvantaged communities around its plant locations. Education means acquiring knowledge, literacy, numeracy and various skills in diverse fields that are vital to life and existence.

Providing quality education to these children, the Company intends helping them to secure a better and brighter future. These interventions will help them to improve themselves, learn new things, explore opportunities to lead a respectable life in society.

Today, the Group is involved in providing and supporting career counselling, life-skills & soft-skills programs as also provide scholarships to bridge the education gap and control the dropout ratio of senior school students. These programs are undertaken after carefully assessing the needs in the community as also the schools in the vicinity of plants.

- 2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

The team at Lumax Charitable Foundation, the Corporate Social Responsibility arm of the Company and implementation partners, undertake these programmes.

- 3. Have you done any impact assessment of your initiative?**

The CSR Committee reviews the progress of the initiatives for all the projects and programmes to assess the desired outcome on the society. Since most of the projects have been done for about 3 years, which include online interventions due to the pandemic in 2020, the impact study is yet not conducted.

Business Responsibility Report (Contd.)

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

For details on Company's contribution to its CSR projects and programmes, please refer to 'Annexure – G (Annual Report on CSR activities), to the Board's report for FY 2020-21.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The interventions and initiatives in the schools are primarily to build capacity of the children to make decisions and take actions that positively impact their lives and the lives of those around them. A primary goal is to promote well-being and benefit the communities in terms of social changes and economic improvement in the time to come.

Also, support preventive and curative health initiatives to ensure the well-being of the communities, sensitising and generating awareness to focus on their health and make positive lifestyle changes.

The Company regularly monitors CSR initiatives to ensures proper implementation.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The company is engaged with OEMs (Original Equipment Manufacturer's) in Passenger Vehicle, Two Wheeler, 3 Wheeler, Commercial Vehicle and Off Road vehicle segment. With the increased quality requirements laid down by OEMs and expectations of the end customer, there is a very strong focus of the organization to supply products with Zero Defects and highest standard of Quality. From OEM perspective, the organization receives monthly quality performance which accesses the performance of the organization for the products supplied. And to ensure above par performance the organization is in continual discussion with OEMs to monitor the performance on daily basis and ensure swift response in case of any concern/ issue reported at customer end.

The Company also caters to retail market through its aftermarket division. The Complaints for the products sold in aftermarket can be raised through any or all of the following mode:

- Communicate the complaint at the customer care desk at local representative/ distributor.

The company does not have any open customer complaints/consumer cases pending at the end of the financial year.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes.

The products supplied by the company are proprietary items hence the information which can be displayed on the products has to be in line with OEM specific requirements and vehicle regulations. The information which is displayed on the product typically carries details related to manufacturing date, shift, assembly line and customer part number. The other details which are required to be present on the product as per vehicle regulation are mentioned on the specified and agreed locations.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

No

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes. The company takes and received feedback from its various customers and based on the feedback received necessary improvisations are done to meet or exceed customer satisfaction. The same is evident from the awards bestowed on the organization for meeting and exceeding the targets, the details of the awards are mentioned in the annual report.

Independent Auditor's Report

To the Members of Lumax Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Lumax Industries Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information. (hereinafter referred to as "the standalone financial statements" or "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the *Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 opinion on the Standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditor's Report (Contd.)

The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue Recognition</p> <p>See note 3(k), 24 and 44 to the standalone financial statements</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/ rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is recognised only to the extent that it is highly probable a significant reversal will not occur. The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance.</p> <p>The Company considers certain variable considerations such as price adjustment and discounts to be passed to customers on the basis of agreed terms, negotiations with customers/ commercial considerations, which involves significant judgement and estimates to arrive at the amount of price adjustments to be accrued for adjustment to revenue.</p> <p>We have considered revenue recognition as a key audit matter on account of the qualitative and quantitative factors as mentioned above.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> - assessed the appropriateness of the accounting policy for revenue recognition, including those relating to price increase/ decrease and discounts as per the applicable accounting standards; - evaluated the design and implementation of the Company's key internal financial controls over revenue recognition including those relating to price increase/decrease and discounts and tested the operating effectiveness of such controls on selected transactions; - Inspected samples identified by applying statistical sampling from the underlying documents that revenue has been booked correctly and in the correct period with reference to supporting invoices, terms and conditions with customers and receipts from customers; - Inspected on a sample basis, the supporting documents for sales transactions recorded during the period closer to the year end to determine whether revenue was recognised in the correct period; - evaluated management's methodology and assumptions used in the calculations of price adjustments. Inspected, on sample basis, debit note/credit notes issued, receipts/payment made as per approved customer contracts, agreed price adjustments passed on to the customers and evaluated completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments; - performed analytical procedures on current year revenue and price adjustments, based on trends and where appropriate, conducting further enquiries and testing; - inspected manual journals posted to revenue to identify unusual items; - assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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.

Independent Auditor's Report (Contd.)

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit 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 controls 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 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Independent Auditor's Report (Contd.)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
- iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to its directors is in excess of the limits laid down under Section 197 read with Schedule V of the Act, however, necessary approval with respect to the same has been obtained by the Company (refer note 38 to the standalone financial statement). The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W/W-100024

Manish Kapoor

Partner

Membership No.: 510688

ICAI UDIN: 21510688AAAAABC3961

Place: Gurugram

Date: 11 June 2021

Annexure A to the Independent Auditor's report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone financial statements for the year ended 31 March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets in which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were physically verified by the management in the current year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties of land and buildings included under the head "Property, plant and equipment", are held in the name of the Company as at the balance sheet date.
- (ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, inventory except stock lying with third parties and goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. Confirmations have been obtained for stock lying with third parties at the year-end. According to the information and explanations given to us, the discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. Moreover, in respect of the investments made by the Company, requirements of section 186 of the Companies Act, 2013 have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of certain products manufactured by the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government of India under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income-tax, Duty of customs, Goods and Services tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delays in few cases related to payment of Income-tax, Provident fund, Labour welfare fund and Professional tax. Further, as explained to us, the Company did not have any dues on account of Value added tax, Sales tax, Duty of excise and Service tax during the current year.
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax, Goods and Services tax, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became due for payment.

Annexure A to the Independent Auditor's report (Contd.)

- (b) According to the information and explanations given to us, except as stated below, there are no dues of Income tax, Sales tax, Service tax, Goods and Services tax, Duty of customs, Duty of excise and Value added tax that have not been deposited with the appropriate authorities on account of any dispute:

Name of the Statute	Nature of the dues	Amount (₹ in lakhs)	Amount paid (₹ in lakhs)	Period to which amount relates	Forum where dispute is pending
Finance Act, 1994	Demand for disallowance of Cenvat credit in respect of outward transportation	2.31	-	2014-15	Commissioner of Excise (Appeals)
Customs Act, 1962	Demand on account of classification of certain imported goods	6.51	-	2016-17	Commissioner of customs (Appeals)
Customs Act, 1962	Demand for wrongful availment of duty drawback.	1.16	-	2015-16	Commissioner of customs (Appeals)
Customs Act, 1962	Demand for wrongful availment of duty drawback.	2	-	2015-16	Deputy Commissioner
Central Excise Act, 1956	Demand for short payment of excise duty for non-inclusion of designs/ drawings provided by the Customer.	518.66	-	2013-14 to 2017-18	Director General of GST Intelligence
Central Excise Act, 1956	Demand for short payment of excise duty for non-inclusion of designs/ drawings provided by the Customer.	719.15	-	2013-14 to 2018-19	Director General of GST Intelligence
Income tax Act, 1961	Demand for disallowance of loyalty incentives and under valuation of Inventory	3,083.71	-	AY 2018-19	Income Tax Appellate Tribunal
Central Sales Tax Act, 1961	Demand against non submission of various Forms	84.89	-	2011-12 and 2015-16 to 2017-18	Assessing officer
Central Sales Tax Act, 1961	Demand against non-submission of various Forms	20.23	-	2001-02	Joint Commissioner of Sales tax (Appeals)

- (viii) In our opinion and according to the information and explanations given to us, the Company has availed the moratorium as prescribed by Reserve Bank of India and accordingly, has not defaulted in repayment of dues to banks or financial institutions. The Company did not have any loans or borrowings from government or any dues to debenture holders during the year.
- (ix) According to information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and did not have any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable.

Annexure A to the Independent Auditor's report (Contd.)

The details of such related party transactions have been disclosed in the standalone financial statements as required by applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W/W-100024

Manish Kapoor

Partner

Membership No.: 510688

ICAI UDIN: 21510688AAAAABC3961

Place: Gurugram

Date: 11 June 2021

Annexure B to the Independent Auditor's report on the standalone financial statements of Lumax Industries Limited for the period ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of Lumax Industries Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to the standalone financial statements criteria established by the 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 (the "Guidance Note").

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to

Annexure B to the Independent Auditor's report (Contd.)

the extent applicable to an audit of internal financial controls with reference to the standalone financial statements. 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 the standalone financial statements were established and maintained and whether 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 the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the standalone financial statements.

Meaning of Internal Financial controls with Reference to the Standalone Financial Statements

A company's internal financial controls with reference to the standalone 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 controls with reference to the standalone financial statements include 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 Standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to the Standalone Financial Statements

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

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W/W-100024

Manish Kapoor

Partner

Membership No.: 510688

ICAI UDIN: 21510688AAAAABC3961

Place: Gurugram

Date: 11 June 2021

Standalone Balance Sheet

as at 31 March 2021

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

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
I ASSETS			
Non-current assets			
Property, plant and equipment	4A	58,117.23	61,261.53
Capital work-in-progress	4B	4,701.63	3,216.74
Right of use assets	4C	3,074.04	2,375.43
Investment property	5	72.13	72.13
Goodwill	4E	977.58	977.58
Other intangible assets	4D	473.34	580.51
Intangible assets under development	4F	-	2.06
Financial assets			
Investments	6	514.74	514.74
Loans	7	718.04	690.64
Others	8	141.26	164.19
Non current tax assets (net)	12	502.09	745.04
Deferred tax assets (net)	23	-	14.11
Other non-current assets	13	7,202.48	6,330.50
Total non-current assets		76,494.56	76,945.20
Current assets			
Inventories	14	22,234.22	17,917.82
Financial assets			
Investments	6	21.10	10.51
Trade receivables	9	21,631.34	17,321.45
Cash and cash equivalents	10	283.65	795.00
Bank balances other than above	10	31.35	3,000.65
Loans	7	87.90	98.27
Derivatives	11	-	237.34
Others	8	3,238.39	1,030.14
Other current assets	13	3,534.24	2,468.25
Total current assets		51,062.19	42,879.43
TOTAL ASSETS		1,27,556.75	1,19,824.63
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	934.77	934.77
Other equity	16	38,779.14	37,509.61
Total equity		39,713.91	38,444.38
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	17	1.89	2,638.19
Lease liability	18	3,617.97	2,796.22
Provisions	22	3,196.54	2,838.63
Deferred tax liabilities (net)	23	934.03	-
Total non current liabilities		7,750.43	8,273.04
Current liabilities			
Financial liabilities			
Borrowings	17	30,082.92	26,564.61
Lease liability	18	98.20	68.18
Trade payables			
- total outstanding dues of micro and small enterprises, and	19	1,534.23	671.80
- total outstanding dues of creditors other than micro and small enterprises	19	35,909.52	30,845.33
Other financial liabilities	20	7,453.41	10,540.31
Other current liabilities	21	4,140.78	3,730.85
Provisions	22	873.35	686.13
Total current liabilities		80,092.41	73,107.21
Total liabilities		87,842.84	81,380.25
TOTAL EQUITY AND LIABILITIES		1,27,556.75	1,19,824.63
Summary of significant accounting policies	3		

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Shruti Kant Rustagi

Chief Financial
Officer

Place: New Delhi
Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: Gurugram
Date: 11 June 2021
ICAI UDIN: 21510688AAAABC3961

Place: New Delhi
Date: 11 June 2021

Place: Gurugram
Date: 11 June 2021

Place: New Delhi
Date: 11 June 2021

Statement of Standalone Profit and Loss

for the year ended 31 March 2021

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

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
I REVENUE			
Revenue from operations	24	1,42,598.07	1,60,158.72
Other income	25	2,523.38	966.19
TOTAL REVENUE		1,45,121.45	1,61,124.91
II EXPENSES			
Cost of materials consumed			
Cost of raw material and components consumed	26	86,205.22	87,782.00
Cost of moulds, tools & dies	26.1	4,378.00	10,665.41
Purchase of stock in trade	27	449.81	442.13
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(773.38)	(498.85)
Employee benefits expenses	29	20,679.78	20,991.68
Finance costs	30	2,847.54	2,191.56
Depreciation and amortization	31	6,451.32	6,354.42
Other expenses	32	21,731.18	25,001.30
TOTAL EXPENSES		1,41,969.47	1,52,929.65
III Profit before tax (I-II)		3,151.98	8,195.26
IV Tax Expense:			
Current tax (including earlier years)	23	544.20	1,380.07
Deferred tax (including MAT for earlier years)	23	903.93	(415.50)
Income tax expenses		1,448.13	964.57
V Profit for the year (III-IV)		1,703.85	7,230.69
VI Other comprehensive income/ (loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability		126.54	(94.38)
Income tax relating to above		-	-
Net other comprehensive income/(loss) not to be reclassified subsequently to profit or loss		126.54	(94.38)
VII Total comprehensive income for the year (V+VI)		1,830.39	7,136.31
VIII Earnings per equity share - Basic and diluted (Nominal value of share ₹ 10 (Previous year : ₹ 10) each)	33	18.23	77.35
Summary of significant accounting policies	3		

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABC3961

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial
Officer

Place: New Delhi

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: New Delhi

Date: 11 June 2021

Standalone Statement of Changes in Equity

for the year ended 31 March 2021

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

a. Equity share capital

Particulars	Note	Amount
Balance as at 31 March 2019		934.77
Changes in equity share capital during the year	15A	-
Balance at 31 March 2020		934.77
Changes in equity share capital during the year	15A	-
Balance at 31 March 2021		934.77

b. Other Equity

Particulars	Note	Reserves and Surplus				Items of OCI	Total
		Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of defined benefit plans	
Balance as at 31 March 2019		0.65	6,796.66	9,638.47	19,853.84	-	36,289.62
Profit for the year	16A	-	-	-	7,230.69	-	7,230.69
Dividends	16B	-	-	-	(4,907.56)	-	(4,907.56)
Dividend distribution tax	16B	-	-	-	(1,008.76)	-	(1,008.76)
Other comprehensive income	16A	-	-	-	-	(94.38)	(94.38)
Transferred to retained earnings	16A	-	-	-	(94.38)	94.38	-
Balance at 31 March 2020		0.65	6,796.66	9,638.47	21,073.83	-	37,509.61
Profit for the year	16A	-	-	-	1,703.85	-	1,703.85
Dividends	16B	-	-	-	(560.86)	-	(560.86)
Other comprehensive income	16A	-	-	-	-	126.54	126.54
Transferred to retained earnings	16A	-	-	-	126.54	(126.54)	-
Balance at 31 March 2021		0.65	6,796.66	9,638.47	22,343.36	-	38,779.14

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABC3961

Deepak Jain

Chairman &

Managing Director

DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior

Executive Director

DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial

Officer

Place: New Delhi

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: New Delhi

Date: 11 June 2021

Standalone Cash Flow Statement

for the year ended 31 March 2021

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

S. No.	Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A.	Cash flow from operating activities		
	Profit before tax	3,151.98	8,195.26
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation/ amortization	6,451.32	6,354.42
	Bad Debts	33.89	167.49
	Advances written off	34.87	18.59
	Provision for doubtful debts	34.41	129.38
	Net (gain)/loss on disposal of property, plant and equipment	(250.59)	6.75
	Change in fair value of investment	(10.59)	3.42
	MTM (gain)/loss on cross currency swaps and forward contracts	237.34	(237.34)
	Unrealised foreign exchange (gain)/ loss	(587.62)	644.68
	Provisions/creditors no longer required written back	(5.49)	(25.22)
	Finance cost	2,814.05	2,191.56
	Interest on tax	33.49	-
	Interest income	(33.25)	(115.00)
	Dividend income	(11.52)	(232.93)
	Operating profit before changes in asstes and liabilities	11,892.29	17,101.06
	Change in assets and liabilities		
	Decrease/ (increase) in inventories	(4,316.40)	2,496.91
	Decrease/ (increase) in trade receivables	(4,352.71)	4,356.84
	Decrease/ (increase) in loans	(24.44)	(151.08)
	Decrease/ (increase) in other financial assets	(2,326.70)	207.11
	Decrease/ (increase) in other assets	(1,557.51)	87.93
	(Decrease)/ increase in trade payables	6,279.56	(6,821.51)
	(Decrease)/ increase in other financial liabilities	729.92	(1,249.87)
	(Decrease)/ increase in other liabilities	409.93	(4,299.99)
	(Decrease)/ increase in provisions	501.96	172.28
	Cash generated from operations	7,235.90	11,899.68
	Income taxes paid (net of refunds)	(384.67)	1,574.57
	Net cash flow from/ (used in) operating activities (A)	7,620.57	10,325.11
B.	Cash flow from investing activities		
	Purchase of fixed assets, including CWIP and capital advances	(6,737.98)	(16,692.32)
	Proceeds from sales of property, plant and equipment	545.28	57.19
	Interest received	119.10	28.89
	Dividends received	11.52	232.93
	Maturity from/(Investments in) bank deposits (having original maturity of more than three months)	2,989.96	(3,003.18)
	Net cash flow from/ (used in) investing activities (B)	(3,072.12)	(19,376.49)
C.	Cash flow from financing activities		
	Proceeds from bank loan	5,641.25	13,811.89
	Repayment of bank loan	(10,011.21)	(9,198.60)
	Proceeds from/(repayment) of cash credit/WCDL/vendor finance facility (net)	2,818.31	13,068.21
	Payment of finance lease	(296.34)	(226.30)
	Interest paid	(2,649.33)	(1,938.75)
	Dividend paid on equity shares	(562.48)	(4,862.64)
	Dividend distribution tax	-	(1,008.76)
	Net cash flow from/ (used in) financing activities (C)	(5,059.80)	9,645.05
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(511.35)	593.67
	Cash and cash equivalents at the beginning of the year	795.00	201.33
	Cash and cash equivalents at the end of the year	283.65	795.00

Standalone Cash Flow Statement for the year ended 31 March 2021 (Contd.)

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

S. Particulars No.				Year ended 31 March 2021		Year ended 31 March 2020	
i Components of cash and cash equivalents							
Cash on hand				14.98		14.48	
Balances with banks:							
On current accounts				268.67		780.52	
Total cash and cash equivalents				283.65		795.00	
ii Movement in financial liabilities		Lease liabilities	Long term loans	Short term loans	Interest payable	Total	
As on 1 April 2019		792.83	271.29	13,696.40	49.51	14,810.03	
Cash flows (net)		(226.30)	4,813.29	12,868.21	(1,938.75)	15,516.45	
Other non cash transactions:							
- Acquisition		2,147.18	-	-	-	2,147.18	
- Interest		150.69	-	-	2,040.87	2,191.56	
- Foreign exchange movement		-	207.80	-	-	207.80	
As on 1 April 2020		2,864.40	5,292.38	26,564.61	151.63	34,873.02	
Cash flows (net)		(296.34)	(5,069.96)	3,518.31	(2,649.33)	(4,497.32)	
Other non cash transactions:							
- Acquisition		884.93	-	-	-	884.93	
- Interest		263.18	-	-	2,550.87	2,814.05	
- Foreign exchange movement			(209.20)	-	-	(209.20)	
As on 31 March 2021		3,716.17	13.22	30,082.92	53.17	33,865.48	

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABC3961

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial
Officer

Place: New Delhi

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: New Delhi

Date: 11 June 2021

Notes to the Standalone Financial Statements

for the year ended 31 March 2021

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

1 Reporting entity

Lumax Industries Limited ('the Company') is engaged in the business of manufacture, trading and supply of auto components, mainly automotive lighting systems for four wheeler and two wheeler vehicles. The Company is domiciled in India, with its registered office situated at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi -110046. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

2 Basis of preparation

A. Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These standalone financial statements are approved by the Company's Board of Directors on 11 June 2021.

Details of Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to nearest Lakhs and two decimals thereof, unless otherwise indicated.

C. Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for the following items:

- Certain financial assets and liabilities (including derivative instruments) - measured at fair value.
- Net defined benefit (asset)/ liability - measured at fair value of plan assets less present value of defined benefit obligations.
- Other financial assets and liabilities - measured at amortised cost.

D. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may

differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions and estimation uncertainties and judgements

Information about judgements, assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 March 2021 and judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes:

- Recognition of deferred tax assets - note 23- The Company has recognized deferred tax assets and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Company is expected to generate adequate taxable income for liquidating these assets in due course of time.
- Write down of inventories - note 14 - Inventories measured at the lower of cost and net realizable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions to determine obsolete or excess inventories.
- Impairment of financial assets - note 37 - The impairment provisions for financial assets are based on certain judgements made by the Management in making assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.
- Provision for employee benefits - note 22 & 36 - The measurement of obligations and assets related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

- v) Other liabilities - note 20 – The Company creates accrual of price adjustments based on agreed terms, negotiations with customers and various commercial considerations, which involves significant judgement and estimates to arrive at the amount of price adjustments to be accrued for adjustment to revenue.

E. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 37 - financial instruments; and

Note 5 - investment property.

3 Significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of

Companies Act, 2013 notified by the Ministry of Corporate Affairs.

An asset is classified as current when it is :

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- 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 classified as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- 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.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be less than 12 months for the purpose of current and non-current classification of assets and liabilities.

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

b. Property, plant & equipment (PPE)

i) Recognition and Measurement

The cost of an item of Property, plant and equipment is recognized as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months and whose use is expected to be irregular are capitalized as PPE.

Gains or losses arising from the retirement or disposal of an property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific fixed assets and that are attributable to construction activity in general and can be allocated to specific fixed assets are included in capital work-in-progress.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

ii) *Depreciation methods, estimated useful lives and residual value*

Depreciation is calculated on cost of items of property, plant and equipment less their estimated

residual values over their estimated useful lives using the straight-line method, and is recognized in the statement of profit and loss. Depreciation is charged on a pro-rata basis for assets acquired/sold during the year from/to the date of acquisition/sale. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment in years for the current and comparative periods are as follows:

Assets	Estimated useful lives	Useful lives as per schedule II
Factory building	30 years	30 years
Other building	60 years	60 years
Plant and machinery	3-21 years	15 years
Furniture & fixtures	10 years	10 years
Vehicles	5 years	8 years
Office equipment	5 years	5 years

Based on technical evaluation and internal assessment of useful lives, the management believes that its estimate of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation method, assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets for review and adjusted residual life prospectively.

iii) *Reclassification to investment property*

When the use of property changes from owner occupied property to investment property the property is reclassified as investment property at its carrying value on the date of reclassification.

c. **Intangible assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

Amortization methods, estimated useful lives and residual value.

Intangible assets are amortised on a straight-line basis over their estimated useful lives. The amortization period, residual value and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

The estimated useful lives are as follows:

Computer software	Over the estimated lives ranging from 3.5 years to 4 years
Technical know-how	Over the period of technical assistance agreement i.e. 8 years

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

d. Investment property

Investment property is property held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon, Initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.

Gains or losses arising from the retirement or disposal of an investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The fair values of investment property is disclosed in the notes.

e. Assets held for sale

Non-current assets are classified as held for sale, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

These assets are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets, which are specifically exempt from this requirement. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in Statement of Profit and Loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated.

f. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the moving weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their present condition and location.

In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in production of finished products 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 their net realisable value.

The Comparison of cost and net realisable value is made on an item-by-item basis.

Obsolete, defective and unserviceable stocks are duly provided for, wherever required.

g. Cash and Cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

h. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through profit and loss.

Classification

On Initial recognition, a financial asset is classified as measured at:

- Amortised cost
- Fair value through other comprehensive income (FVTOCI)

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

● Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met and is not designated as at FVTPL:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVOCI if both of the following criteria are met and is not designated as at FVTPL:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- a) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on

earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- b) how the performance of the portfolio is evaluated and reported to the Company's management;
- c) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- d) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- e) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- a) contingent events that would change the amount or timing of cash flows;
- b) terms that may adjust the contractual coupon rate, including variable interest rate features;
- c) prepayment and extension features; and

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

- d) terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Profit and Loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is recognized in Statement of Profit and Loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Derecognition

Financial asset

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments to hedge its certain foreign currency risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

i. Impairment

i) *Impairment of financial assets*

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost and financial assets measured at FVOCI- debt investments. At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being past due.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable

and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Statement of Profit and Loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

ii) **Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to

the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

j. **Provisions (other than for employee benefits) and contingent liabilities**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Warranties

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and weighting of all possible outcomes by their associated probabilities. Provisions for warranties are adjusted regularly to take account of new circumstances and the impact of any changes recognized in the income statement.

Rate decrease

The Liability for rate decrease is recognized on the basis of firm commitments with the customers and past trends. The Liabilities are adjusted to regularly during the year as soon as the obligating event occurs.

Contingent liabilities

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognized when the Company has a present obligation as a result of a past event and 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. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have risen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise. When there is a possible obligation or present obligation where the likelihood of an outflow is remote, no disclosure or provision is made.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

k. Revenue

Sale of goods (including moulds)

Nature and timing of satisfaction of performance obligations, including significant payment terms

Customers obtain control of goods when the goods are delivered to and have been accepted at their premises. However, few customers accept the goods when goods have been dispatched by the Company.

Invoices are generated at that point in time. Invoices are usually payable within 45 days. No discounts are usually provided for goods, but few customers may avail cash discount on prompt payment of the goods.

Some contracts permit the customer to return an item. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered.

Revenue recognition

Revenue arising from the sale of goods (including moulds) is recognized when the customer obtains control of the promised asset, i.e. either at the delivery or dispatch of goods (based on the agreed terms of sale with the respective customers), which is the point in time when the customer has the ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods.

For contracts that allow the customers to avail the cash discount, the Company estimates the value of discount by applying the 'Most likely amount' method and past experience of the Company.

For contracts that permit the customer to return an item, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

Sale of services

Nature and timing of satisfaction of performance obligations, including significant payment terms

Customers obtain control of services when the services are completed to the satisfaction of the Customer. Invoices for services are usually payable within 45 days.

Revenue recognition

Revenue arising from the sale of services is recognized at the point in time when the Company satisfies the performance obligation and the services are completely rendered to the customer.

l. Recognition of dividend income, interest income or expense

Dividend income is recognized in Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognized using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs).

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

All other borrowing costs are expensed in the period in which they occur.

n. Leases

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and plant and machinery. The

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a

corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

o. Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident Fund and Employee State Insurance: The Company makes specified monthly contributions towards Government administered provident fund and Employee State Insurance scheme in respect of certain employees. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in Statement of Profit

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

and Loss in the periods during which the related services are rendered by employees.

Superannuation Fund: Contributions are made to a scheme administered by the Life Insurance Corporation of India to discharge superannuating liabilities to the employees, a defined contribution plan, and the same is expensed to the Statement of Profit and Loss. The Company has no liability other than its annual contribution.

iii) *Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in other comprehensive income (OCI). The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is

recognized immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) *Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognized in Statement of Profit and Loss in the period in which they arise.

p. **Income tax**

Income tax comprises current and deferred tax. It is recognized in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

i) *Current tax*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii) *Deferred tax*

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and

- temporary differences related to investment in associate to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax asset.

Deferred tax assets (including MAT credit) are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

q. Grant

Where the grant or subsidy relates to an asset, it is recognized by deducting the grant in arriving at the carrying amount of asset. However, when the grant or subsidy relates to an expenses item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the Company receives grants of non-monetary assets, the asset is recognized by deducting the fair value of grant from gross value of asset.

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s. Segment reporting

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available. The Company is engaged in the business relating to manufacture, trading and supply of auto components, mainly automotive lighting systems for four wheeler and two wheeler vehicles. Accordingly, the Company's activities/business is reviewed regularly by the Company's Managing Director assisted by an executive committee from an overall business perspective, rather than reviewing its products/services as individual standalone components.

Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format. Accordingly, same has been defined as one business segment.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

t. Dividend Distribution

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. 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.

u. Foreign currency transactions

Initial recognition and settlement

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognized in profit or loss.

Subsequent recognition

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of the following items which are recognized in OCI.

- equity investments at fair value through OCI (FVOCI);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and

- qualifying cash flow hedges to the extent that the hedges are effective.

v. Business combinations

In accordance with Ind AS 103, the Company accounts for the business combination using the acquisition method when control is transferred. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognized directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in statement of profit and loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

4A Property, plant & equipment

Particulars	Land		Buildings	Plant and machinery	Furniture & fixtures	Office equipment	Vehicles	Total
	Leasehold	Freehold						
Gross Block								
As at 31 March 2019	133.75	3,521.49	10,977.34	51,612.50	644.70	360.85	1,401.57	68,652.20
Additions	-	-	1,216.93	10,439.96	66.40	22.81	32.58	11,778.68
Acquired through business purchase (refer note 46)	-	-	-	1,137.76	42.86	63.29	15.27	1,259.18
Transferred to right of use assets (under Ind AS 116)	(133.75)	-	-	-	-	-	-	(133.75)
Disposals/adjustments	-	-	-	(39.37)	(0.09)	(0.33)	(51.68)	(91.47)
As at 31 March 2020	-	3,521.49	12,194.27	63,150.85	753.87	446.62	1,397.74	81,464.84
Additions	-	-	637.65	2,111.78	384.23	56.42	-	3,190.08
Disposals/adjustments	-	-	(0.37)	(379.58)	-	(1.86)	(7.41)	(389.22)
As at 31 March 2021	-	3,521.49	12,831.55	64,883.05	1,138.10	501.18	1,390.33	84,265.70
Depreciation								
As at 31 March 2019	4.97	-	1,147.04	12,127.54	186.56	123.51	650.28	14,239.90
For the year	-	-	432.89	5,113.43	76.94	98.17	274.48	5,995.91
Transferred to right of use assets (under Ind AS 116)	(4.97)	-	-	-	-	-	-	(4.97)
Disposals/adjustments	-	-	-	(4.90)	-	(0.05)	(22.58)	(27.53)
As at 31 March 2020	-	-	1,579.93	17,236.07	263.50	221.63	902.18	20,203.31
For the year	-	-	509.61	5,115.20	109.78	84.70	220.40	6,039.69
Disposals/adjustments	-	-	(0.07)	(86.87)	-	(1.00)	(6.59)	(94.53)
As at 31 March 2021	-	-	2,089.47	22,264.40	373.28	305.33	1,115.99	26,148.47
Net Block:								
As at 31 March 2020	-	3,521.49	10,614.34	45,914.78	490.37	224.99	495.56	61,261.53
As at 31 March 2021	-	3,521.49	10,742.08	42,618.65	764.82	195.85	274.34	58,117.23

Note:

- Property, plant and equipment representing land and building amounting to ₹ 734.09 Lakhs (31 March 2020 - ₹ 737.48 Lakhs) have been pledged as security by the Company.

4B Capital Work in progress

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	3,216.74	4,899.83
Additions made during the year	4,674.97	10,095.59
Capitalised during the year	(3,190.08)	(11,778.68)
Total	4,701.63	3,216.74

Note:

- The Company has capitalised borrowing cost relating to construction of building and purchasing of plant and machinery amounting to ₹ 37.52 Lakhs (31 March 2020 - ₹ Nil).

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

4C Right of use assets

Particulars	Leased Assets	Total
Gross Block		
As at 31 March 2019	-	-
Additions	2,398.00	2,398.00
Transferred from property, plant & equipment (under Ind AS 116)	133.75	133.75
Disposals/adjustments	-	-
As at 31 March 2020	2,531.75	2,531.75
Additions	892.34	892.34
Disposals/adjustments	-	-
As at 31 March 2021	3,424.09	3,424.09
Depreciation		
As at 31 March 2019	-	-
Transferred from property, plant & equipment (under Ind AS 116)	4.97	4.97
For the year	151.35	151.35
Disposals/adjustments	-	-
As at 31 March 2020	156.32	156.32
For the year	193.73	193.73
Disposals/adjustments	-	-
As at 31 March 2021	350.05	350.05
Net Block:		
As at 31 March 2020	2,375.43	2,375.43
As at 31 March 2021	3,074.04	3,074.04

4D Other intangible assets

Particulars	Computer Software	Total
Gross Block		
As at 31 March 2019	895.07	895.07
Additions	318.27	318.27
Acquired through business purchase (refer note 46)	8.65	8.65
Disposals/adjustments	-	-
As at 31 March 2020	1,221.99	1,221.99
Additions	125.17	125.17
Disposals/adjustments	-	-
As at 31 March 2021	1,347.16	1,347.16
Depreciation		
As at 31 March 2019	434.32	434.32
For the year	207.16	207.16
Disposals/adjustments	-	-
As at 31 March 2020	641.48	641.48
For the year	232.34	232.34
Disposals/adjustments	-	-
As at 31 March 2021	873.82	873.82
Net Block:		
As at 31 March 2020	580.51	580.51
As at 31 March 2021	473.34	473.34

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

4E Goodwill

Particulars	Goodwill	Total
Gross Block		
As at 31 March 2019	-	-
Additions	977.58	977.58
Disposals/adjustments	-	-
As at 31 March 2020	977.58	977.58
Additions (refer note 46)	-	-
Disposals/adjustments	-	-
As at 31 March 2021	977.58	977.58
Impairment		
As at 31 March 2019	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
Net Block:		
As at 31 March 2020	977.58	977.58
As at 31 March 2021	977.58	977.58

4F Intangible asset under development

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	2.06	78.82
Additions made during the year	-	-
Capitalised during the year	(2.06)	(76.76)
Total	-	2.06

5 Investment property

Particulars	Freehold land	Total
Gross Block		
As at 31 March 2019	72.13	72.13
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2020	72.13	72.13
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2021	72.13	72.13
Depreciation		
As at 31 March 2019	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
Net Block:		
As at 31 March 2020	72.13	72.13
As at 31 March 2021	72.13	72.13

Notes:

- The fair value of Investment property has been determined considering the current expected sale value in the market and has been categorized as Level 3 fair value (refer note 2E).
- Fair market value as at 31 March 2021 amounts to ₹ 1,484.80 Lakhs (31 March 2020 - ₹ 1,278.00 Lakhs).

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

6 Investments

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-Current investments		
Unquoted equity shares		
<i>Equity shares at cost</i>		
32,98,986 (31 March 2020: 32,98,986) equity shares of ₹ 10 each fully paid-up in SL Lumax Limited (an associate)	354.74	354.74
<i>Equity shares at FVTPL</i>		
6,55,832 (31 March 2020: 6,55,832) equity shares of ₹ 10 each fully paid-up in Caparo Power Limited	65.58	65.58
Unquoted Preference shares		
<i>Preference shares at FVTPL</i>		
9,44,168 (31 March 2020: 9,44,168) 2% Redeemable Preference shares of ₹ 10 each fully paid-up in Caparo Power Limited	94.42	94.42
Total-A	514.74	514.74
B-Current investments		
Quoted equity shares at FVTPL		
43,866 (31 March 2020: 43,866) equity shares of ₹ 10 each fully paid up in PNB Gilts Limited	21.10	10.51
Total-B	21.10	10.51
Total- Investments (A+B)	535.84	525.25
Aggregate cost of quoted investments	9.87	9.87
Aggregate market value of quoted investments	21.10	10.51
Aggregate amount of unquoted investments	514.74	514.74
Aggregate amount of impairment in value of investment	-	-

7 Loans

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-Current		
Security deposits	640.66	589.75
Loan to employees	77.38	100.89
Total-A	718.04	690.64
B-Current		
Loan to employees	87.90	98.27
Total-B	87.90	98.27
Total- Loans (A+B)	805.94	788.91

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

8 Other financial assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-current		
Margin money with banks* (deposits with maturity of more than 12 months)	-	25.66
Time deposits with others (deposits with maturity of more than 12 months)	5.00	-
Unpaid dividend accounts#	136.26	137.88
Interest accrued but not due on fixed deposits	-	0.65
Total - A	141.26	164.19
B-Current		
Unbilled revenue	1,161.64	849.48
Interest accrued but not due on fixed deposits	2.56	87.76
Export benefits and other incentive receivable	1,170.95	7.76
Others	903.24	85.14
Total - B	3,238.39	1,030.14
Total- Other financial assets (A+B)	3,379.65	1,194.33

* Margin money with banks represents fixed deposits pledged with banks for guarantees issued to government authorities.

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

9 Trade receivables*

Particulars	As at 31 March 2021	As at 31 March 2020
Receivable considered good-Unsecured	21,631.34	17,321.45
Receivable - credit impaired	96.73	296.71
Less: Allowance for doubtful debts	(96.73)	(296.71)
Net-Trade receivables	21,631.34	17,321.45
Current	21,631.34	17,321.45
Total	21,631.34	17,321.45

* Refer note 38 for related party transactions.

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 37.

Trade receivable includes amount due from companies having common directors as follows:

Party Name	As at 31 March 2021	As at 31 March 2020
Lumax Auto Technologies Limited	3,193.46	402.37
Lumax Ancillary Limited	136.45	132.42
Lumax Cornaglia Auto Technologies Private Limited	0.09	4.56
Mahavir Udyog	0.62	0.93
Bharat Enterprises	16.51	0.34
Lumax Tours & Travels Limited	-	0.08
Lumax Jopp Allied Technologies Limited	-	0.05
Lumax Integrated Ventures Private Limited	0.08	-
Lumax Mannoh Allied Technologies Limited	0.08	-
Lumax Mettalics Private Limited	0.08	-
Velomax Mobility Private Limited	0.27	0.08

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

Age of receivables

Party Name	As at 31 March 2021	As at 31 March 2020
Within the credit period	18,058.28	11,808.09
Upto 1 year past due	3,581.08	5,622.92
More than 1 year past due	88.71	187.15
Total	21,728.07	17,618.16

10 Cash and bank balances

Particulars	As at 31 March 2021	As at 31 March 2020
A-Cash and cash equivalents		
Cash on hand	14.98	14.48
Bank balances		
in current accounts	268.67	780.52
Cash and cash equivalents in Balance Sheet	283.65	795.00
Cash and cash equivalents in the statement of cash flows	283.65	795.00
B-Bank balances other than above		
Time deposits with others (deposits with maturity of more than 3 months but less than 12 months)	5.00	3,000.00
Margin Money with banks* (deposits with maturity of less than 12 months)	26.35	0.65
Bank balances other than above in Balance Sheet	31.35	3,000.65

* Margin money with banks represents fixed deposits pledged with banks for guarantees issued to government authorities.

11 Derivative - Assets

Particulars	As at 31 March 2021	As at 31 March 2020
Mark to Market gain on cross currency swaps and forward contracts	-	237.34
Total- Derivative Assets	-	237.34
Current	-	237.34
Total	-	237.34

12 Tax assets

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax (net of provisions ₹ Nil (31 March 2020: ₹ 7,284.66 Lakhs)	2.09	745.04
Duty paid under protest	500.00	-
Total	502.09	745.04

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

13 Other assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-current		
Capital advances	7,175.02	6,294.56
Prepaid expenses	27.46	35.94
B-Current		
Advance to suppliers		
Considered good	1,814.80	950.00
Considered doubtful	25.17	25.17
Less: Provision for doubtful advances	(25.17)	(25.17)
	1,814.80	950.00
Advance to employees	15.48	3.00
Export benefits receivable	60.92	62.20
Balances with government authorities	1,146.81	1,014.69
Prepaid expenses	399.41	387.00
Others	96.82	51.36
Total- Other assets	10,736.72	8,798.75
Other Non-current assets	7,202.48	6,330.50
Other Current assets	3,534.24	2,468.25
Total	10,736.72	8,798.75

14 Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials and components (including stock in transit ₹ 1,906.76 Lakhs (31 March 2020: ₹ 946.67 Lakhs))	12,022.98	9,735.52
Work-in-progress	2,893.63	2,403.58
Finished goods	2,626.87	2,146.64
Stock in Trade	113.28	310.18
Stores and spares (including packing material)	952.08	995.77
Moulds, tools and dies in process (including transit stock: ₹ 82.54 Lakhs (31 March 2020: ₹ 127.25 Lakhs))	3,625.38	2,326.13
Total	22,234.22	17,917.82

Due to the fact that certain products were slow moving and were sold below net realisable value, the Company made a provision amounting to ₹ 9.83 Lakhs (31 March 2020: ₹ 162.34 Lakhs). The above provision is included in cost of materials consumed or changes in inventories of finished goods and work-in-progress.

15 Equity Share Capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised		
1,20,00,000 (31 March 2020: 1,20,00,000) equity shares of ₹ 10 each	1,200.00	1,200.00
Issued, subscribed and fully paid up		
93,47,732 (31 March 2020: 93,47,732) equity shares of ₹ 10 each	934.77	934.77
Total	934.77	934.77

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

15 A Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	9,347,732	934.77	9,347,732	934.77
Issued during the year	-	-	-	-
At the end of the year	9,347,732	934.77	9,347,732	934.77

15 B Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

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

15 C Details of shareholders more than 5% shares in the Company

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% in the class	Number of shares	% in the class
Equity shares of ₹ 10 each fully paid held by-				
Stanley Electric Co. Limited	33,43,381	35.77%	33,43,381	35.77%
Deepak Jain	12,43,516	13.30%	11,72,031	12.54%
Anmol Jain	12,43,516	13.30%	11,72,031	12.54%
Lumax Auto Technologies Limited	5,25,000	5.62%	5,25,000	5.62%
Lumax Finance Private Limited	4,93,367	5.28%	4,93,367	5.28%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above share represents both legal and beneficial ownership of shares.

16 Other equity

A. Summary of other equity

Particulars	As at 31 March 2021	As at 31 March 2020
I. Capital reserve		
At the beginning and at the end of the year	0.65	0.65
II. Securities premium		
At the beginning and at the end of the year	6,796.66	6,796.66
III. General reserve		
Balance at the beginning of the year	9,638.47	9,638.47
Add: Amount transferred from retained earnings	-	-
Balance at the end of the year	9,638.47	9,638.47
IV. Retained earnings		
Balance at the beginning of the year	21,073.83	19,853.84
Add: Profit for the year	1,703.85	7,230.69
Less: Appropriations		
- Dividend paid	(560.86)	(4,907.56)
- Dividends distribution tax	-	(1,008.76)
Add: Transferred from other comprehensive income	126.54	(94.38)
Balance at the end of the year	22,343.36	21,073.83

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

Particulars	As at 31 March 2021	As at 31 March 2020
V. Items of other comprehensive income		
Balance at the beginning of the year	-	-
Add: Remeasurements of defined benefit plans	126.54	(94.38)
Less: Transferred to retained earnings	(126.54)	94.38
Balance at the end of the year	-	-
Total- Other equity	38,779.14	37,509.61

- (a) The Company had transferred forfeited share application money to Capital reserve in accordance with the provision of the Companies Act, 1956. The reserve will be utilized in accordance with the provisions of the Companies Act, 2013.
- (b) Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.
- (c) General Reserves are free reserves of the Company which are kept aside out of Company's profits to meet the future requirements as and when they arise. The Company had transferred a portion of the profit after tax (PAT) to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (d) Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

B. Dividends

The following dividends were declared and paid by the Company during the years:

Particulars	As at 31 March 2021	As at 31 March 2020
₹ 6.00 per equity share {31 March 2020: ₹ 52.50 (including interim dividend ₹ 17.50)}	560.86	4,907.56
Dividend distribution tax on dividend to shareholders	-	1,008.76
Total	560.86	5,916.32

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval of shareholders at the annual general meeting; the dividends have not been recognized as liabilities. Dividends would attract dividend distribution tax when declared or paid.

The Board proposed dividend on equity shares after the balance sheet date:

Particulars	As at 31 March 2021	As at 31 March 2020
₹ 7.00 per equity share (31 March 2020: ₹ 6.00 per equity share)	654.34	560.86
Total	654.34	560.86

C. Capital Management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, consistent with others in the industry. The Company monitors capital using a gearing ratio, which is calculated as:

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

Net debt (total liabilities net of cash and cash equivalents) divided by "Total equity" (as shown in the Balance Sheet).

Particulars	As at 31 March 2021	As at 31 March 2020
Total liabilities	87,842.84	81,380.25
Less: cash and cash equivalents	(283.65)	(795.00)
Adjusted net debt	87,559.19	80,585.25
Total equity	39,713.91	38,444.38
Adjusted net debt to equity ratio	2.20	2.10

17 Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Long term (Secured)		
Vehicle loan from banks	12.59	89.96
Vehicle loan from others	0.63	8.13
Term loan from others	-	3,000.00
Foreign currency loan	-	2,194.29
Total	13.22	5,292.38
A-Non-current	1.89	2,638.19
B-Current - reclassified to other financial liabilities (refer note 20)	11.33	2,654.19
Short term		
Secured		
Term loan from bank	2,000.00	1,300.00
Packing credit / buyers credit	-	1,737.09
Cash credit/Working Capital facility from banks	14,008.35	7,440.12
Vendor finance facility from banks	-	3,695.45
Customer finance facility from banks	5,000.00	4,723.82
Unsecured		
Vendor finance facility from banks	9,074.57	7,668.13
Total	30,082.92	26,564.61

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 37.

Terms and repayment schedule

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2021	Charges
Secured					
Vehicle Loans from bank	INR	2021 - 2022	7.90% -8.60%	12.59	Hypothecation of the respective vehicle
Vehicle Loans from others	INR	2021 - 2022	0.05%	0.63	Hypothecation of the respective vehicle
Short Term Loan from bank	INR	2021 - 2022	6.85%	2,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	6.95% - 8.70%	1,508.35	Immovable fixed assets of Gurugram Unit & stock & book debts & movable fixed assets of the Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	5.10% to 7.95%	3,500.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	6.15% to 10%	2,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	6.20% - 7.95%	6,000.00	Immovable fixed assets of Gurugram Unit & stock & book debts & current assets of the Company on Pari-Passu basis

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2021	Charges
Working Capital Facility from others	INR	2021 - 2022	6.90% to 8.60%	1,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Company on Pari-Passu basis
Customer finance facility from banks	INR	2021 - 2022	6.75%-8.70%	5,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Company on Pari-Passu basis
Unsecured					
Vendor finance facility from banks	INR	2021 - 2022	6.90% - 8.90%	9,074.57	Nil

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2020	Charges
Secured					
Vehicle Loans from bank	INR	2020 - 2023	7.90% -8.60%	89.96	Hypothecation of the respective vehicle
Vehicle Loans from others	INR	2020 - 2022	0.05%	8.13	Hypothecation of the respective vehicle
Foreign currency loan	USD	2020 - 2021	LIBOR + 2.00%	2,194.29	Specific Plant & Machinery at Bawal Plant
Term loan from others	INR	2024 - 2025	9.25%	3,000.00	Entire Fixed Assets to be acquired out of the proceed of term loan including Land & Building of Plot No. 12, Sector 5, Bawal
Term loan from bank	INR	2021	9.50%	1,300.00	First Pari-Passu Hypothecation charge on all existing and future current assets of the Company
Packing credit / buyers credit	USD	2021	LIBOR + 0.47%	1,737.09	Immovable property situated at Plot No. 16, Sector 18, Maruti Complex, Gurugram & entire current assets of the Company on Pari-Passu basis
Cash Credit from bank	INR	2021	8.15% - 8.70%	610.12	Land & Building at Plot No. 16, Sector 18, Gurugram & Stock & book debts of the Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021	7.95% - 8.70%	1,000.00	Immovable fixed assets (Land & Building) at Plot No. 16, Sector 18, Gurugram Unit & entire current assets of the Company both present & future on Pari-Passu basis
Working Capital Facility from bank	INR	2021	8.40% - 10.00%	2,000.00	Land and Building at Plot No. 16, Sector 18, Industrial Estate, Gurugram (known as Maruti complex) and entire current assets of the Company both present & future on Pari-Passu basis
Working Capital Facility from bank	INR	2021	8.15% - 8.70%	1,830.00	Land & Building at Plot No. 16, Sector 18, Gurugram & Stock & book debts of the Company on Pari-Passu basis
Working Capital Facility from others	INR	2021	8.60% - 9.35%	2,000.00	Land and Building at Plot No. 16, Sector 18, Industrial Estate, Gurugram and entire current assets of the Company both present & future on Pari-Passu basis
Vendor finance facility from banks	INR	2021	8.25%-9.25%	3,695.45	First Pari-Passu Hypothecation charge on all existing and future current assets of the Company
Customer finance facility from banks	INR	2021	8.70% - 9.15%	4,723.82	First Pari-Passu Hypothecation charge on all existing and future current assets of the Company
Unsecured					
Vendor finance facility from banks	INR	2021	7.90% - 9.50%	7,668.13	Nil

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

18 Lease liability

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-current	3,617.97	2,796.22
B-Current	98.20	68.18
Total Lease liability	3,716.17	2,864.40

19 Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payables		
- Total outstanding due of micro enterprises and small enterprises (refer note (a) below for details of dues to micro and small enterprises)	1,534.23	671.80
- Total outstanding due of creditors other than micro enterprises and small enterprises	35,909.52	30,845.33
Total	37,443.75	31,517.13

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 37.

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

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	1,466.38	628.89
Interest due on above	0.05	3.19
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	24.30	22.53
The amount of interest accrued and remaining unpaid at the end of each accounting year	67.85	42.91
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues 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	-	-

20 Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current portion of secured bank loans	11.33	2,654.19
Capital creditors	1,443.59	2,517.47
Interest accrued on borrowings/cash credit	53.17	151.63
Payable to employees	1,702.87	1,534.15
Unpaid dividend	136.26	137.88
Interest free deposits from customers	6.75	5.75
Book overdraft	20.34	-
Other liabilities*	4,079.10	3,539.24
Total Other financial liabilities	7,453.41	10,540.31
Current	7,453.41	10,540.31
Non-current	-	-
Total	7,453.41	10,540.31

* Other liabilities represent rate difference for price decrease not yet paid to the customers.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

21 Other liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current		
Advances from customers	3,558.38	2,595.20
Statutory dues	582.40	1,135.65
Total- Other liabilities	4,140.78	3,730.85

22 Provisions

Particulars	Non-current	Current	Non-current	Current
	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2020
A-Provision for employee benefits				
Compensated absences	2,219.49	181.65	2,051.42	161.06
Gratuity (refer note 36)	977.05	373.39	787.21	371.24
Total-A	3,196.54	555.04	2,838.63	532.30
B-Other provisions				
Provision for warranties (Refer (a) below)	-	76.73	-	87.45
Provision for tax (net of advance tax ₹ 3,487.99 Lakhs (31 March 2020: ₹ 1,346.21 Lakhs))	-	241.58	-	66.38
Total-B	-	318.31	-	153.83
Total- Provisions (A+B)	3,196.54	873.35	2,838.63	686.13

(a) Provision for warranties

A provision is recognized for expected warranty claims on products sold in past year, based on past experience of the level of repairs and returns. It is expected that all of these costs will be incurred in the next financial year after the reporting date. Assumptions used to calculate the provision for warranties were based on current sales levels and information available about warranty. The table below gives information about movement in warranty provisions.

Particulars	As at 31 March 2021	As at 31 March 2020
At the beginning of the year	87.45	59.67
Arising during the year (net of reversals)	58.18	151.04
Utilized during the year	(68.90)	(123.26)
At the end of the year	76.73	87.45

23 Income tax

A. Amounts recognized in profit or loss

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
<i>for Current period</i>		
Current tax	584.94	1,380.07
Deferred tax	773.35	(383.08)
<i>for prior periods</i>		
Deferred tax (MAT availment for earlier years)	130.58	(32.42)
Current tax	(40.74)	-
Total	1,448.13	964.57

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

B. Income tax recognized in other comprehensive income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Remeasurements of defined benefit plan	126.54	(94.38)
Current tax	(44.23)	32.98
Deferred tax (benefit)	44.23	(32.98)
Net of tax	126.54	(94.38)

C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Rate (%)	Amount	Rate (%)	Amount
Profit before tax		3,151.98		8,195.26
Enacted tax rates in India	34.94%	1,101.43	34.94%	2,863.75
Effect of:				
Remeasurement of deferred tax liabilities*	-	-	-14.57%	(1,194.00)
Tax related to prior periods	2.85%	89.84	-0.40%	(32.42)
Dividend income	-0.13%	(4.03)	-0.99%	(81.40)
Excess deduction of R&D Expenses	-	-	-8.52%	(698.60)
Additional Deferred tax liability on Goodwill	8.13%	256.20	-	-
Others	0.15%	4.69	1.31%	107.23
Income tax expense	45.94%	1,448.13	11.77%	964.57

D. Recognised deferred tax assets and liabilities

Particulars	As at 31 March 2021			As at 31 March 2020		
	Deferred tax assets	Deferred tax liabilities	Net Deferred tax assets / (liabilities)	Deferred tax assets	Deferred tax liabilities	Net Deferred tax assets / (liabilities)
Property, plant and equipment and intangible assets (net)	-	(6,372.31)	(6,372.31)	-	(5,589.94)	(5,589.94)
Mark to Market gain on cross currency swaps and forward contracts	-	-	-	-	(82.94)	(82.94)
Investment Property	-	(27.96)	(27.96)	-	(26.17)	(26.17)
Finance Lease liability (Net of ROU)	143.07	-	143.07	115.67	-	115.67
Provision for compensated absences	592.49	-	592.49	542.64	-	542.64
Provision for doubtful debts and advances	42.60	-	42.60	112.48	-	112.48
Provision for bonus	61.24	-	61.24	61.96	-	61.96
Provision for gratuity	442.50	-	442.50	387.33	-	387.33
Carry forward MAT credits	4,182.71	-	4,182.71	4,492.63	-	4,492.63
Others	1.63	-	1.63	0.45	-	0.45
Total	5,466.24	(6,400.27)	(934.03)	5,713.16	(5,699.05)	14.11

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

E. Movement of temporary differences

Particulars	As at 31 March 2019	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2020	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2021
Property, plant and equipment and intangible assets (net)	(6,396.30)	806.36	-	(5,589.94)	(782.37)	-	(6,372.31)
Mark to Market gain on cross currency swaps and forward contracts	-	(82.94)	-	(82.94)	82.94	-	-
Investment Property	(24.83)	(1.34)	-	(26.17)	(1.79)	-	(27.96)
Finance Lease liability (Net of ROU)	-	115.67	-	115.67	27.40	-	143.07
Provision for compensated absences	624.98	(82.34)	-	542.64	49.85	-	592.49
Provision for doubtful debts and advances	115.70	(3.22)	-	112.48	(69.88)	-	42.60
Provision for bonus	179.73	(117.77)	-	61.96	(0.72)	-	61.24
Provision for gratuity	417.87	(30.54)	-	387.33	55.17	-	442.50
Provision for lease equalisation	189.40	(189.40)	-	-	-	-	-
Carry forward MAT credits	4,460.21	-	32.42	4,492.63	-	(309.92)	4,182.71
Others	(1.12)	1.57	-	0.45	1.18	-	1.63
Total	(434.36)	416.05	32.42	14.11	(638.22)	(309.92)	(934.03)

* Remeasurement Deferred tax assets and liabilities

On 20 September 2019, the Government of India vide the Taxation laws (Amendment) Ordinance, 2019 inserted section 115BAA in the income tax Act which provides domestic companies an option to pay corporate income tax rate at 22% plus applicable surcharge and cess ("New tax rate") subject to certain conditions therein. In the previous year, the Company made an assessment of the impact of the Ordinance and decided to continue with existing tax structure until utilization of accumulated MAT credit as on 31 March 2020.

Further, INDAS 12 requires deferred tax assets and liabilities to be measured using the enacted (or substantively enacted) tax rates expected to apply to taxable income in the years in which temporary differences are expected to reverse. The Company had made estimates, based on its budgets, regarding income anticipated in foreseeable future years when those temporary differences are expected to reverse and measured the same at the New tax rate. The impact of re-measurement of deferred tax assets/liabilities was recognized in the Statement of Profit and Loss. The tax expense for the year ended 31 March 2020 included one time net reversal of ₹ 1,194.00 Lakhs on account of re-measurement of deferred tax assets/liabilities.

24 Revenue from operations*

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products		
Finished goods	1,34,041.39	1,44,928.48
Traded goods	1,200.32	629.31
Moulds, tools and dies	5,062.10	13,060.16
Total Sale of products (A)	1,40,303.81	1,58,617.95
Sale of services (B)	1,596.08	1,345.19

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Other operating revenues		
Scrap Sales	190.41	195.58
Others	507.77	-
Total Other operating revenues (C)	698.18	195.58
Total- Revenue from operations (A+B+C)	1,42,598.07	1,60,158.72

* refer note 44

25 Other Income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest income under Effective Interest method		
on bank deposits	33.25	115.00
others	84.72	30.16
Dividend	11.52	232.93
Net gain on sale of property, plant and equipment	250.59	-
Rental income from property subleases	20.41	30.72
Provisions/creditors no longer required written back	5.49	25.22
Net gain on account of foreign exchange transaction	683.17	-
Net change in fair value of investment in equity shares held at FVTPL	10.59	-
Mark to Market gain on derivatives	-	237.34
Incentive from state government	1,294.29	-
Export and other incentive (refer note 42)	94.93	178.04
Miscellaneous income	34.42	116.78
Total	2,523.38	966.19

26 Cost of raw material and components consumed

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Inventory of materials at the beginning of the year	9,735.52	10,235.92
Add: Purchases	88,492.68	87,281.60
Less: Inventory of materials at the end of the year	(12,022.98)	(9,735.52)
Total	86,205.22	87,782.00

26.1 Cost of moulds, tools & dies

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Inventory at the beginning of the year	2,326.13	4,639.14
Add: Purchases	5,677.25	8,352.40
Less: Inventory at the end of the year	(3,625.38)	(2,326.13)
Total	4,378.00	10,665.41

27 Purchase of Traded Goods

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Automotive lamps/components	449.81	442.13
Total	449.81	442.13

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

28 Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer note 14)

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
Opening Inventory	Finished goods	2,146.64	2,671.51
	Work-in-progress	2,403.58	1,318.90
	Stock-in-trade	310.18	371.14
		4,860.40	4,361.55
Closing Inventory	Finished goods	2,626.87	2,146.64
	Work-in-progress	2,893.63	2,403.58
	Stock-in-trade	113.28	310.18
		5,633.78	4,860.40
(Increase)/Decrease in Inventory	Finished goods	(480.23)	524.87
	Work-in-progress	(490.05)	(1,084.68)
	Stock-in-trade	196.90	60.96
		(773.38)	(498.85)

29 Employee benefits expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	17,961.13	18,075.78
Contribution to provident and other funds	950.95	894.71
Compensated absences	352.05	399.58
Gratuity (refer note 36)	320.28	315.05
Staff welfare	1,095.37	1,306.56
Total	20,679.78	20,991.68

30 Finance costs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest expenses on financial liabilities (net of Capitalised ₹ 37.52 Lakhs (31 March 2020 - ₹ Nil))	2,738.79	2,185.20
Interest-others	108.75	6.36
Total	2,847.54	2,191.56

31 Depreciation and amortization expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation of property, plant & equipment	6,039.68	5,995.91
Depreciation on right of use of assets (net of capitalised ₹ 14.42 Lakhs (31 March 2020 - ₹ Nil))	179.30	151.35
Amortization of intangible assets	232.34	207.16
Total	6,451.32	6,354.42

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

32 Other expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Stores and spares	657.85	778.08
Packing material	3,507.88	3,554.93
Power and fuel	4,367.37	5,194.38
Rent (refer note 34)	297.65	306.14
Rates and taxes	52.85	98.23
Insurance	399.40	368.87
Repairs and maintenance	2,572.14	2,930.31
Freight and forwarding	2,590.16	2,284.93
Net loss on sale of property plant and equipment	-	6.75
Bank charges	76.56	58.76
Travelling and conveyance	595.19	1,482.49
Legal and professional	391.25	612.24
Management support fees	2,076.43	2,257.37
Design, support and testing charges	672.05	279.96
Directors' sitting fees	27.00	24.60
Payment to auditors (refer note 32.1 below)	57.53	48.56
Royalty	1,957.74	2,197.59
Warranty	58.18	151.04
Net loss on account of foreign exchange transactions	-	587.99
Bad Debts	33.89	167.49
Advances written off	34.87	18.59
Provision for doubtful debts	34.41	129.38
Selling and promotion	53.05	159.35
Communication	108.38	107.69
Printing & stationery	88.40	129.78
Net change in fair value of investment in equity shares held at FVTPL	-	3.42
Contribution towards Corporate Social Responsibility (refer note 32.2 below)	163.81	163.21
Mark to Market loss on cross currency swaps and forward contracts	237.34	-
Donations#	10.98	211.92
Miscellaneous	608.82	687.25
Total	21,731.18	25,001.30

Above expenses include research and development expenses (refer note 41).

Donations Include ₹ Nil (31 March 2020: ₹ 200.00 Lakhs) under section 182 of the Companies Act, 2013.

32.1 Payment to Auditor (excluding applicable taxes)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
As auditor:		
Audit fee	23.25	24.50
Tax audit fee	3.00	3.00
Limited Review	23.25	10.50
In other capacity:		
Certification fees	4.50	5.10
Reimbursement of expenses	3.53	5.46
Total	57.53	48.56

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

32.2 Corporate Social Responsibility (CSR)

As per the provisions of section 135 of the Companies Act, 2013, the Company had to spend at least 2% of the average profits of the preceding three financial years towards CSR which amounts to ₹ 163.81 Lakhs (31 March 2020: ₹ 148.08 Lakhs). Accordingly, a CSR committee had been formed for carrying out the CSR activities as per Schedule VII of the Companies Act, 2013. The Company has spent an amount of ₹ 163.81 Lakhs (including unutilized amount of ₹ 46.54 Lakhs pertaining to ongoing projects) (31 March 2020 ₹ 163.21 Lakhs) and has accordingly charged the same to the Statement of Profit and Loss.

33 Earnings per share (EPS)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for attributable to equity shareholders	1,703.85	7,230.69
Weighted average number of equity shares	93,47,732	93,47,732
Basic and Diluted Earnings per share in ₹ (Nominal value of shares of ₹ 10 (Previous year : ₹ 10))	18.23	77.35

34 Disclosure required by Ind AS 116

A. Particulars	Amount 31 March 2021	Amount 31 March 2020
Right of Use of asset ("ROU")	3,074.04	2,398.00
Transfer of Leasehold land from Property, plant and equipment (net of accumulated depreciation)	-	128.78
Finance lease liability	(3,716.17)	(2,864.40)
Provision for lease equalisation adjusted against ROU by applying para C8(c)(ii) of IND AS 116	-	(542.01)

The amounts recognized in Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on lease liabilities (net of Capitalised ₹ 11.69 Lakhs (31 March 2020 - ₹ Nil))	251.48	150.69
Expenses relating to short-term leases	259.05	247.14
Expenses relating to leases of low-value assets	55.00	59.00
Total	565.53	456.83

Further, The total cash outflow relating to lease payments during the year amounts to ₹ 296.34 Lakhs (31 March 2020 - ₹ 226.30 Lakhs).

The class-wise details of depreciation charged during the year and carrying amount of ROU assets at the year are as follows:

Particulars	Depreciation for the Year ended 31 March 2021	Net Block of ROU As at 31 March 2021	Depreciation for the Year ended 31 March 2020	Net Block of ROU As at 31 March 2020
Leasehold land (transferred from Property, plant and equipment)	1.66	125.46	1.66	127.12
Leasehold land and building (gross of capitalisation ₹ 14.42 Lakhs (31 March 2020 - ₹ Nil))	146.79	2,331.98	132.36	1,586.43
Solar power plant	45.28	616.60	17.33	661.88
Total	193.73	3,074.04	151.35	2,375.43

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

B. Leases as lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company has leased out portions of its buildings under operating lease arrangements. These leases may be renewed for a further period based on mutual agreement of the parties. During the year, an amount of ₹ 20.41 Lakhs (previous year ₹ 30.72 Lakhs) was recognized as rental income in the Statement of Profit and Loss.

35 Segment

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available. The Company is engaged in the business of auto components, mainly automotive lighting systems for four wheeler and two wheeler applications and related activities. The Company's activities/business is regularly reviewed by the Company's Managing Director assisted by an executive committee from an overall business perspective, rather than reviewing its products/services as individual standalone components. Thus, the Company has only one operating segment, and no reportable segments in accordance with Ind AS - 108 Operating Segments.

The entity wide disclosures as required by Ind AS -108 are as follows:

A. Product/Service Descriptiona

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products		
Finished goods	1,34,041.39	1,44,928.48
Traded goods	1,200.32	629.31
Moulds, tools and dies	5,062.10	13,060.16
Sale of services	1,596.08	1,345.19
Other operating revenues		
Scrap sales	190.41	195.58
Others	507.77	-
Total	1,42,598.07	1,60,158.72

B. Revenue from external customer

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
India	1,38,823.33	1,57,510.90
Other countries*	3,774.74	2,647.82
Total	1,42,598.07	1,60,158.72

*Exports to any single country are not material to be disclosed

C. Non current assets**

Particulars	As at 31 March 2021	As at 31 March 2020
India	75,120.52	75,561.52
Other countries#	-	-
Total	75,120.52	75,561.52

** Non-current assets exclude financial assets and deferred tax assets.

D. Major customers

Details of customers which accounts for more than 10% of Company's total revenue are as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Maruti Suzuki India Limited	35,328.64	42,298.03
Honda Motorcycle and Scooter India Private Limited	21,187.04	25,287.82
Suzuki Motor Gujrat Private Limited	13,849.44	16,468.75

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

36 Assets and liabilities relating to employee benefits

A. Information about the Defined contribution plans

The Company's approved Superannuation Scheme, Employee Provident Fund and Employee State Insurance Scheme are defined contribution plans. A sum of ₹ 950.95 Lakhs (previous year ₹ 894.71 Lakhs) has been recognized as an expense in relation to these schemes and shown under Employee benefits expense in the Statement of Profit and Loss.

B. Information about the Defined benefit plan and Funding arrangements

The Company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

These defined benefit plan expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk. The plan is funded with an insurance company in the form of a qualifying insurance policy. The Company expects to pay ₹ 373.39 Lakhs in contributions to its defined benefit plans in FY 2021-22.

Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

a) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	3,175.81	2,757.20
Benefits paid	(111.77)	(114.64)
Current service cost	240.76	240.66
Interest cost	214.34	206.54
Actuarial (gains) losses recognized in other comprehensive income		
changes in demographic/financial assumptions	(74.95)	(36.31)
experience adjustments	(54.89)	122.36
Balance at the end of the year	3,389.30	3,175.81

b) Reconciliation of the present value of plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	2,017.36	1,561.37
Contributions paid into the plan	1.76	446.84
Benefits paid	(111.78)	(114.65)
Interest income	134.81	132.15
Actuarial (gains) losses recognized in other comprehensive income	(3.29)	(8.35)
Balance at the end of the year	2,038.86	2,017.36
Net defined benefit liability(asset) at the end of the year	1,350.44	1,158.45

c) Expense recognized in Statement of Profit and Loss

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	240.76	240.66
Interest cost	214.34	206.54
Past service gain	-	-
Interest income	(134.81)	(132.15)
Total	320.29	315.05

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

d) Remeasurements recognized in other comprehensive income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial (gain) loss on defined benefit obligation	(129.83)	86.03
Return on plan assets excluding interest income	3.29	8.35
Total	(126.54)	94.38

e) Plan assets

Plan assets comprise of the following:

Particulars	As at 31 March 2021	As at 31 March 2020
Investment with Insurer	2,016.05	1,994.45
%age	98.88%	98.86%
Bank	22.81	22.91
%age	1.12%	1.14%

C. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.76%	6.87%
Future salary growth	6.00%	6.50%
Attrition rate	8.00%	8.00%

At 31 March 2021, the weighted-average duration of the defined benefit obligation was 19.90 years (31 March 2020: 20.44 years).

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(185.28)	205.55	(179.82)	199.98
Future salary growth (1% movement)	198.87	(182.97)	192.19	(176.42)
Attrition rate (1% movement)	6.63	(7.52)	2.69	(3.16)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

37 Financial instruments - Fair values and risk management

a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Note No.	As at 31 March 2021			As at 31 March 2020		
		Cost	FVTPL	Amortised cost	Cost	FVTPL	Amortised cost
Financial assets							
Non-current							
Investments*	6	354.74	160.00	-	354.74	160.00	-
Loans	7	-	-	718.04	-	-	690.64
Others	8	-	-	141.26	-	-	164.19
Current							
Investments	6	-	21.10	-	-	10.51	-
Trade receivables	9	-	-	21,631.34	-	-	17,321.45
Cash and cash equivalents	10	-	-	283.65	-	-	795.00
Bank balances other than above	10	-	-	31.35	-	-	3,000.65
Loans	7	-	-	87.90	-	-	98.27
Derivatives	11	-	-	-	-	237.34	-
Others	8	-	-	3,238.39	-	-	1,030.14
Total		354.74	181.10	26,131.93	354.74	407.85	23,100.34
Financial liabilities							
Non-current							
Borrowings	17	-	-	1.89	-	-	2,638.19
Lease liability	18	-	-	3,617.97	-	-	2,796.22
Current							
Borrowings	17	-	-	30,082.92	-	-	26,564.61
Lease liability	18	-	-	98.20	-	-	68.18
Trade payables	19	-	-	37,443.75	-	-	31,517.13
Other financial liabilities	20	-	-	7,453.41	-	-	10,540.31
Total		-	-	78,698.14	-	-	74,124.64

Disclosure of fair values of financial assets and liabilities -

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31 March 2021			As at 31 March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non - Current						
Investments	-	-	160.00	-	-	160.00
Current						
Investments	21.10	-	-	10.51	-	-
Derivatives	-	-	-	-	237.34	-

* Investment in associate is carried at cost

Assets and liabilities which are measured at amortised cost

- Fair value of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, trade payables, other financial liabilities and borrowings approximate their carrying amount, largely due to the short-term nature of these instruments.
- Interest rates on long-term borrowings are equivalent to the market rate of interest. Accordingly, the carrying value of such long-term debt approximates fair value.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

b) Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation processes are described in note no. 2(E).

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial instruments measured at fair value			
Investment in Caparo Power Limited	The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast revenue and earnings (after making necessary adjustments).	<ul style="list-style-type: none"> - Forecast annual growth rate - 4% to perpetuity - Cost of equity - 19.03% 	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> - the annual growth rate were higher (lower); - the risk-adjusted discount rate were lower (higher).
Mark to Market gain on cross currency swaps and forward contracts	The fair value is determined using quoted rates at the valuation date by the respective bank	Not applicable	Not applicable

(ii) Transfers between level 1 and level 2

There have been no transfers between Level 1 and Level 2 during the year ended 31 March 2021 and 31 March 2020.

(iii) Level 3 fair values

There have been no transfers to and from Level 3 during the year ended 31 March 2021 and 31 March 2020.

c) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings, leases and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk	Recognised financial assets and liabilities not denominated in Indian rupee and future commercial transactions	Cash flow forecasting Sensitivity analysis	Forward Foreign Currency and cross currency swap Contracts

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

(i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Company's risk management is carried out by a central treasury team department under policies approved by the board of directors.

The Company's audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Company.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial asset fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and other deposits etc. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, geographical spread, trade channels, past experience of defaults, estimates for future uncertainties etc.

Movement in impairment loss allowance on trade receivables:

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	296.71	305.94
Additions made during the year	34.50	129.38
Utilised during the year	(234.48)	(138.61)
Balance as at the end of the year	96.73	296.71

Loans and other financial assets

- The Company has given security deposits to Government departments and vendors for securing services from them. As these are well established organisations and have strong capacity to meet the obligations, risk of default is negligible or nil.
- The Company provides loans to employees and recovers the same by deduction from the salary of the employees. Loans are given only to those employees who have served a minimum period as per the approved policy of the Company. The expected probability of default is negligible or nil.

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with international and domestic banks with high repute.

Derivatives

Derivatives are entered into with banks and financial institution counterparties, as per the approved guidelines for entering derivative contracts. The Company considers that its derivatives have low credit risk as these are taken with international and domestic banks with high repute.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Long term cash flow requirement is monitored through long term plans. In the line of long term planning, short term plans are reviewed on quarterly basis and compared with actual position on monthly basis to assess the performance of the Company and liquidity position.

The Company monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. In addition to this, the Company maintains the following line of credit to meet the short term funding requirement:

- Short term loans/cash credit/working capital limit of ₹ 21,000 Lakhs.
- Vendor and customer finance facility limit of ₹ 17,800 Lakhs.
- Credit/bank guarantee limit of ₹ 11,000 Lakhs.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

Non derivative financial liabilities	As at 31 March 2021			As at 31 March 2020		
	Carrying amount	Less than 1 year	More than 1 year	Carrying amount	Less than 1 year	More than 1 year
Borrowings (Secured)						
Vehicle loan from banks	12.59	10.71	1.88	89.96	77.40	12.56
Vehicle loan from others	0.63	0.63	-	8.13	7.50	0.63
Term loan from others	-	-	-	3,000.00	375.00	2,625.00
Foreign currency loan	-	-	-	2,194.29	2,194.29	-
Other borrowings						
Secured						
Term loan from bank	2,000.00	2,000.00	-	1,300.00	1,300.00	-
Packing credit / buyers credit	-	-	-	1,737.09	1,737.09	-
Cash credit/Working Capital facility from banks	14,008.35	14,008.35	-	7,440.12	7,440.12	-
Vendor finance facility from banks	-	-	-	3,695.45	3,695.45	-
Customer finance facility from banks	5,000.00	5,000.00	-	4,723.82	4,723.82	-
Unsecured						
Vendor finance facility from banks	9,074.57	9,074.57	-	7,668.13	7,668.13	-
Lease liability	6,696.63	389.49	6,307.14	5,660.68	296.66	5,364.02
Trade payables	37,443.75	37,443.75	-	31,517.13	31,517.13	-
Other financial liabilities						
Capital creditors	1,443.59	1,443.59	-	2,517.47	2,517.47	-
Interest accrued on borrowings/ cash credit	53.17	53.17	-	151.63	151.63	-
Payable to employees	1,702.87	1,702.87	-	1,534.15	1,534.15	-
Unpaid dividend	136.26	136.26	-	137.88	137.88	-
Interest free deposits from customers	6.75	6.75	-	5.75	5.75	-
Book overdraft	20.34	20.34	-	-	-	-
Other liabilities	4,079.10	4,079.10	-	3,539.24	3,539.24	-
Total	81,678.60	75,369.58	6,309.02	76,920.92	68,918.71	8,002.21

The Company has secured bank loans that contain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company uses derivative to manage market risks. All such transactions are carried out within the guideline as prescribed in the Company's risk management policy.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The functional currency for the Company is INR. The currencies in which these transactions are primarily denominated are US dollars and Euro.

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

As at 31 March 2021	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognized financial assets / (liabilities)	
					Foreign currency	INR
EUR	-	-	(0.12)	4.04	3.93	336.61
GBP	-	-	-	6.38	6.38	643.01
JPY	-	-	(101.15)	-	(101.15)	(66.88)
USD	-	-	(71.92)	6.16	(65.77)	(4,808.15)
TWD	0.10	-	-	-	0.10	0.26
CZK	-	-	-	-	-	-
IDR	-	-	(1,482.52)	-	(1,482.52)	(7.44)

As at 31 March 2020	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognized financial assets / (liabilities)	
					Foreign currency	INR
EUR	-	-	(0.02)	3.46	3.44	285.24
GBP	-	-	-	1.84	1.84	172.11
JPY	-	-	(1,784.17)	-	(1,784.17)	(1,242.36)
USD	-	(51.96)	(71.12)	4.34	(118.74)	(8,984.40)
TWD	1.73	-	-	-	1.73	4.31
CNY	-	-	(0.04)	-	(0.04)	(0.37)
IDR	-	-	(1,482.52)	-	(1,482.52)	(6.89)

EUR: Euro, GBP: Great Britain Pound, JPY: Japanese Yen, USD: US Dollar, TWD: New Taiwan dollar, CNY: Chinese Yuan, CZK: Czech Koruna, IDR: Indonesian Rupiah

Sensitivity analysis

A reasonably possible strengthening (weakening) of USD, JPY and other currencies against INR (₹) at the end of the year, would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

The impact on profit/loss before tax is as below:

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	(48.08)	48.08	(89.84)	89.84
JPY (1% movement)	(0.67)	0.67	(12.42)	12.42
Other currencies	9.72	(9.72)	4.54	(4.54)

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company tries to manage the risk partly by entering into fixed-rate instruments and partly by borrowing at a floating rate:

Exposure to Interest rate risk

The Company has the following exposure in interest bearing borrowings as on reporting date:

Standalone Balance sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings		
Term loans (fixed interest)	2,013.22	6,592.38
Packing credit / buyers credit (variable interest)	-	1,737.09
Cash credit/Working capital facility (variable interest)	14,008.35	7,440.12
Vendor finance facility (variable interest)	9,074.57	11,363.58
Customer finance facility (variable interest)	5,000.00	4,723.82
Total	30,096.14	31,856.99

The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. However, as these are short term in nature, there is no exposure to interest rate risk.

Sensitivity analysis

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
1% increase	(297.43)	(198.43)
1% decrease	297.43	198.43

38 Related Party Disclosure

A. Names of related parties and related party relationship

S.No.	Particulars	Name of Related parties
1	Entity/Person having significant influence	Stanley Electric Co. Limited, Japan Mr Dhanesh Kumar Jain (upto 28.06.2019)
2	Associate	SL Lumax Limited
3	Key Management Personnel	Mr Deepak Jain (Chairman & Managing Director) Mr Anmol Jain (Joint Managing Director) Mr Vineet Sahni (CEO & Senior Executive Director) Mr Tadayoshi Aoki (Senior Executive Director) Mr Koji Sawada (Executive Director upto 18.06.2020)

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

	Mr Kenjiro Nakazono (Executive Director w.e.f. 18.06.2020)
	Mr Avinash Parkash Gandhi (Independent Director)
	Mr Rajeev Kapoor (Independent Director)
	Mr Munish Chandra Gupta (Independent Director upto 04.12.2020)
	Mr Rattan Kapur (Independent Director)
	Mrs Ritika Modi (Independent Director)
	Mr Dhiraj Dhar Gupta (Independent Director)
	Mr Vikrampati Singhania (Independent Director w.e.f. 11.02.2021)
4 Relatives of Key Management Personnel	Mr Dhanesh Kumar Jain (Chairman Emeritus)
	Mr Vyom Sahni (son of Mr Vineet Sahni)
5 Entity Controlled / significantly influenced by Key Management Personnel and/or their Relatives	Lumax Auto Technologies Limited
	Lumax DK Auto Industries Limited (Merged with Lumax Auto Technologies Limited w.e.f. 09.11.2019)
	Lumax Tours & Travels Limited
	Lumax Finance Private Limited
	Lumax Ancillary Limited
	Lumax Cornaglia Auto Technologies Private Limited
	Lumax Mannoh Allied Technologies Limited
	Lumax Management Services Private Limited
	Lumax Jopp Allied Technologies Private Limited
	Lumax Energy Solutions Private Limited
	Bharat Enterprises
	Mahavir Udyog
	D.K. Jain & Sons (HUF) (upto 18.12.2020)
	Lumax FAE Technologies Private Limited
	Lumax Ituran Telematics Private Limited
	Lumax Mettallics Private Limited (Formerly known as Lumax Gill - Austem Auto Technologies Private Limited)
	Lumax Integrated Ventures Private Limited
	Sipal Engineering Private Limited
	Backcountry Estates Private Limited
	Velomax Mobility Private Limited
	Lumax Charitable Foundation
6 Entity controlled by Entity having significant influence	Thai Stanley Electric Public Co. Limited
	Asian Stanley International Co. Limited
	PT Indonesia Stanley Electric
	Stanley Electric (Asia Pacific) Limited
	Tianjin Stanley Electric Co. Limited
	Vietnam Stanley Electric Co. Limited
	Shenzhen Stanley Electric Co. Limited
	Guangzhou Stanley Electric Co. Limited
	Sirivit-Stanley Co. Limited
	Stanley Electric Do Brasil Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

B. Detail of Related Parties Transactions

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate	Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20			
i)	Sale of Raw Materials and Components (grouped in Consumption)													
		Lumax Auto Technologies Limited	-	-	-	-	168.65	63.93	-	-	-	-	168.65	63.93
		Lumax DK Auto Industries Limited	-	-	-	-	-	11.46	-	-	-	-	-	11.46
		Lumax Ancillary Limited	-	-	-	-	239.49	371.64	-	-	-	-	239.49	371.64
		Bharat Enterprises	-	-	-	-	73.24	34.75	-	-	-	-	73.24	34.75
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	0.10	-	-	-	-	-	0.10	-	
ii)	Sale of Finished Goods (Including Semi-finished Goods)													
		Lumax Auto Technologies Limited	-	-	-	-	8,601.83	6,880.84	-	-	-	-	8,601.83	6,880.84
		Lumax DK Auto Industries Limited	-	-	-	-	-	242.09	-	-	-	-	-	242.09
		Lumax Ancillary Limited	-	-	-	-	171.14	217.10	-	-	-	-	171.14	217.10
		Stanley Electric Do Brasil Limited	-	-	-	-	-	-	5.34	8.58	-	-	5.34	8.58
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	0.56	1.41	-	-	0.56	1.41	
	Asian Stanley International Co. Limited	-	-	-	-	-	-	0.20	-	-	-	0.20	-	
	Stanley Electric Co. Limited	8.90	-	-	-	-	-	-	-	-	-	-	8.90	-
iii)	Sale of Fixed Assets													
		Lumax Auto Technologies Limited	-	-	-	-	282.08	-	-	-	-	-	282.08	-
		Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	0.69	-	-	-	-	-	0.69	-
		Lumax Ancillary Limited	-	-	-	-	-	2.63	-	-	-	-	-	2.63
iv)	Sale of Services													
		Lumax Auto Technologies Limited	-	-	-	-	-	73.05	-	-	-	-	-	73.05
		Lumax DK Auto Industries Limited	-	-	-	-	-	5.34	-	-	-	-	-	5.34
		Lumax Ancillary Limited	-	-	-	-	-	1.13	-	-	-	-	-	1.13
		Bharat Enterprises	-	-	-	-	-	0.60	-	-	-	-	-	0.60
	Mahavir Udyog	-	-	-	-	-	0.33	-	-	-	-	-	0.33	
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	0.11	-	-	-	-	-	0.11	

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives				Entity controlled by Entity having significant influence		Associate		Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Lumax Management Services Private Limited	-	-	-	-	-	-	-	2.37	-	-	-	-	-	-	-	2.37
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	0.25	-	-	-	-	-	-	-	0.25
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	37.43	51.24	-	-	-	-	37.43	51.24
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	-	23.20	-	-	-	-	-	23.20
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	23.94	-	-	-	-	-	23.94
	Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	11.15	-	-	-	-	-	11.15
	Stanley Electric Co. Limited	600.39	68.42	-	-	-	-	-	-	-	-	-	-	-	-	600.39	68.42
v)	Purchase of Raw Materials, Components and Moulds																
	Lumax Auto Technologies Limited	-	-	-	-	-	-	12,333.43	9,803.41	-	-	-	-	-	-	12,333.43	9,803.41
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	5,825.64	-	-	-	-	-	-	-	5,825.64
	Lumax Ancillary Limited	-	-	-	-	-	-	6,703.10	6,652.10	-	-	-	-	-	-	6,703.10	6,652.10
	Bharat Enterprises	-	-	-	-	-	-	2,287.14	2,484.68	-	-	-	-	-	-	2,287.14	2,484.68
	Mahavir Udyog	-	-	-	-	-	-	197.23	204.60	-	-	-	-	-	-	197.23	204.60
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	892.95	10.60	-	-	-	-	892.95	10.60
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	698.38	1,294.94	-	-	-	-	698.38	1,294.94
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	-	1.41	-	-	-	-	-	1.41
	Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	3,225.73	2,241.34	-	-	-	-	3,225.73	2,241.34
	Tianjin Stanley Electric Co Limited	-	-	-	-	-	-	-	-	1,469.94	749.59	-	-	-	-	1,469.94	749.59
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	26.39	31.32	-	-	-	-	26.39	31.32
	Sirivit-Stanley Co. Limited	-	-	-	-	-	-	-	-	802.12	1,592.30	-	-	-	-	802.12	1,592.30
	Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	29.48	30.19	-	-	-	-	29.48	30.19
	Stanley Electric Co. Limited	5,466.53	6,086.60	-	-	-	-	-	-	-	-	-	-	-	-	5,466.53	6,086.60
vii)	Purchase of Packing Material																
	Mahavir Udyog	-	-	-	-	-	-	2,135.06	2,236.77	-	-	-	-	-	-	2,135.06	2,236.77
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	2.95	-	-	-	-	-	-	-	2.95
viii)	Purchase of Stores & Spares																
	Lumax Energy Solutions Private Limited	-	-	-	-	-	-	-	0.05	-	-	-	-	-	-	-	0.05
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.24	-	-	-	-	-	-	-	0.24	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate		Total		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Lumax Ancillary Limited	-	-	-	-	-	-	0.75	0.18	-	-	-	-	0.75	0.18	-	-
	Mahavir Udyog	-	-	-	-	-	-	0.16	-	-	-	-	-	0.16	-	-	-
	Stanley Electric Co. Limited	-	1.46	-	-	-	-	-	-	-	-	-	-	-	-	1.46	-
viii)	Purchase of Fixed Assets																
	Lumax Auto Technologies Limited #	-	-	-	-	-	-	-	2,659.77	-	-	-	-	-	-	2,659.77	-
	Lumax Management Services Private Limited	-	-	-	-	-	-	73.02	76.34	-	-	-	-	73.02	76.34	-	-
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	6.15	-	-	-	-	-	6.15	-	-
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	0.70	-	-	-	-	0.70	-	-
	Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	178.04	-	-	-	178.04	-	-	-
	Stanley Electric Co. Limited	117.18	-	-	-	-	-	-	-	-	-	-	-	117.18	-	-	-
	# Refer note no. 46																
ix)	Purchase of Traded Goods																
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.17	34.74	-	-	-	-	0.17	34.74	-	-
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	78.60	29.63	-	-	78.60	29.63	-	-
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	392.53	343.50	-	-	392.53	343.50	-	-
x)	Technical Charges																
	Design & Drawing Charges																
	Stanley Electric Co. Limited	474.81	1,315.32	-	-	-	-	-	-	-	-	-	-	474.81	1,315.32	-	-
	Tianjin Stanley Electric Co Limited	-	-	-	-	-	-	-	-	78.53	75.67	-	-	78.53	75.67	-	-
	Testing Charges																
	Stanley Electric Co. Limited	70.63	210.08	-	-	-	-	-	-	-	-	-	-	70.63	210.08	-	-
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	1.93	-	-	-	1.93	-	-	-
	Lumax Auto Technologies Limited	-	-	-	-	-	-	3.70	3.44	-	-	-	-	3.70	3.44	-	-
	Management Support Fee																
	Stanley Electric Co. Limited	991.29	1,045.59	-	-	-	-	-	-	-	-	-	-	991.29	1,045.59	-	-
	Lumax Management Services Private Limited	-	-	-	-	-	-	1,291.60	1,488.53	-	-	-	-	1,291.60	1,488.53	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
xi)	Rent Income														
	Lumax Management Services Private Limited	-	-	-	-	-	-	5.52	5.03	-	-	-	-	5.52	5.03
	Sipal Engineering Private Limited	-	-	-	-	-	-	0.18	0.16	-	-	-	-	0.18	0.16
	Lumax Finance Private Limited	-	-	-	-	-	-	0.18	0.16	-	-	-	-	0.18	0.16
	Lumax Metalics Private Limited (Formerly known as Lumax Gill - Austem Auto Technologies Private Limited)	-	-	-	-	-	-	0.18	0.16	-	-	-	-	0.18	0.16
	Lumax Integrated Ventures P Limited	-	-	-	-	-	-	0.18	0.16	-	-	-	-	0.18	0.16
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.06	0.05	-	-	-	-	0.06	0.05
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	0.05	-	-	-	-	-	0.05
	Lumax Ancillary Limited	-	-	-	-	-	-	0.18	0.16	-	-	-	-	0.18	0.16
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.25	0.05	-	-	-	-	0.25	0.05
	Lumax Energy Solutions Private Limited	-	-	-	-	-	-	-	0.07	-	-	-	-	-	0.07
	Lumax Tours & Travels Limited	-	-	-	-	-	-	0.18	0.16	-	-	-	-	0.18	0.16
	Lumax Jopp Allied Technologies Limited	-	-	-	-	-	-	0.05	0.05	-	-	-	-	0.05	0.05
	Backcountry Estates Private Limited	-	-	-	-	-	-	-	0.16	-	-	-	-	-	0.16
xii)	Dividend Received														
	SL Lumax Limited	-	-	-	-	-	-	-	-	-	-	-	230.92	-	230.92
xiii)	Rent Expense														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	273.51	100.30	-	-	-	-	273.51	100.30
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	121.75	-	-	-	-	-	121.75
xiv)	Payment to Chairman Emeritus														
	Mr Dhanesh Kumar Jain	-	7.50	-	-	15.00	22.50	-	-	-	-	-	-	15.00	30.00
xv)	Managerial Remuneration (short term employee benefits)*														
	Mr Deepak Jain#	-	-	76.04	135.37	-	-	-	-	-	-	-	-	76.04	135.37

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate		Total		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Mr Anmol Jain	-	-	26.83	55.57	-	-	-	-	-	-	-	-	26.83	55.57	-	-
	Mr Tadayoshi Aoki	-	-	16.34	17.60	-	-	-	-	-	-	-	-	16.34	17.60	-	-
	Mr Koji Sawada	-	-	3.30	16.49	-	-	-	-	-	-	-	-	3.30	16.49	-	-
	Mr Kenjiro Nakazono	-	-	13.96	-	-	-	-	-	-	-	-	-	13.96	-	-	-
	Mr Vineet Sahni#	-	-	211.67	289.08	-	-	-	-	-	-	-	-	211.67	289.08	-	-
	*Does not include provision for gratuity and compensated absences, since the same is accrued on the basis of actuarial valuation carried out for the Company as a whole.																
xvi)	Commission to Director																
	Mr Deepak Jain#	-	-	164.13	243.00	-	-	-	-	-	-	-	-	164.13	243.00	-	-
	Mr Vineet Sahni#	-	-	34.37	86.96	-	-	-	-	-	-	-	-	34.37	86.96	-	-
	*The managerial remuneration paid/payable has exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013. The Company has obtained necessary approvals as required under the relevant provisions of the Companies Act, 2013.																
xvii)	Royalty (gross)																
	Stanley Electric Co. Limited	1,859.43	2,182.76	-	-	-	-	-	-	-	-	-	-	1,859.43	2,182.76	-	-
xviii)	Dividend Paid																
	Mr Deepak Jain	-	-	70.32	615.32	-	-	-	-	-	-	-	-	70.32	615.32	-	-
	Mr Anmol Jain	-	-	70.32	615.32	-	-	-	-	-	-	-	-	70.32	615.32	-	-
	D.K. Jain & Sons (HUF)	-	-	-	-	-	-	8.58	75.06	-	-	-	-	8.58	75.06	-	-
	Lumax Auto Technologies Limited	-	-	-	-	-	-	31.50	275.63	-	-	-	-	31.50	275.63	-	-
	Lumax Finance Private Limited	-	-	-	-	-	-	29.60	259.02	-	-	-	-	29.60	259.02	-	-
	Stanley Electric Co. Limited	200.60	1,755.28	-	-	-	-	-	-	-	-	-	-	200.60	1,755.28	-	-
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	9.72	85.06	-	-	9.72	85.06	-	-
xix)	Travelling & Conveyance																
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.99	-	-	-	-	-	-	0.99	-	-
	Lumax Ancillary Limited	-	-	-	-	-	-	0.04	-	-	-	-	-	-	0.04	-	-
	Lumax Tours & Travels Limited	-	-	-	-	-	-	59.30	437.81	-	-	-	-	59.30	437.81	-	-
	Stanley Electric Co. Limited	7.79	93.88	-	-	-	-	-	-	-	-	-	-	7.79	93.88	-	-
xx)	Freight Inward																
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.03	-	-	-	-	-	0.03	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate	Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20			
xxi)	Insurance Charges													
		-	-	-	-	-	-	27.58	-	-	-	-	27.58	-
xxii)	Legal & Professional Charges													
		-	-	-	-	-	-	-	0.34	-	-	-	-	0.34
	Lumax Management Services Private Limited	-	-	-	-	-	-	10.37	29.51	-	-	-	10.37	29.51
xxiii)	Miscellaneous Expenses													
		-	-	-	-	-	-	34.88	32.35	-	-	-	34.88	32.35
	Lumax Ancillary Limited	-	-	-	-	-	-	0.25	-	-	-	-	0.25	-
		-	-	-	-	-	-	-	-	0.02	-	-	0.02	-
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	0.02	-	-	0.02	-
	Thal Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	0.01	-	-	-	-	0.01
xxiv)	Packing & Forwarding													
		-	-	-	-	-	-	-	0.16	-	-	-	-	0.16
	Lumax Ancillary Limited	-	-	-	-	-	-	0.28	-	-	-	-	0.28	-
xxv)	Salaries, wages and bonus													
		-	-	-	-	-	-	20.26	48.96	-	-	-	20.26	48.96
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	34.64	-	-	-	-	34.64
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	2.62	0.63	-	-	-	2.62	0.63
		89.15	43.57	-	-	-	-	-	-	-	-	-	89.15	43.57
	Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	4.21	2.78	-	-	-	-	-	4.21	2.78
xxvi)	Printing & Stationery Expenses													
		-	-	-	-	-	-	0.51	1.70	-	-	-	0.51	1.70
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	(139.34)	(40.49)	-	-	-	(139.34)	(40.49)
xxvii)	Reimbursement Received													
		-	-	-	-	-	-	-	(0.86)	-	-	-	-	(0.86)
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	(14.25)	(14.64)	-	-	-	(14.25)	(14.64)
		-	-	-	-	-	-	(16.53)	(4.54)	-	-	-	(16.53)	(4.54)
	Lumax Management Services Private Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-
	Lumax Ancillary Limited	-	-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives				Entity controlled by Entity having significant influence		Associate		Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
	Bharat Enterprises	-	-	-	-	-	-	(3.98)	(3.33)	-	-	-	-	-	-	(3.98)	(3.33)
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	-	(17.31)	-	-	-	-	-	-	-	(17.31)
	Mahavir Udyog	-	-	-	-	-	-	(0.78)	(1.84)	-	-	-	-	-	-	(0.78)	(1.84)
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	(0.81)	-	-	-	-	-	-	-	(0.81)
	Lumax FAE Technologies Private Limited	-	-	-	-	-	-	-	(0.02)	-	-	-	-	-	-	-	(0.02)
	Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	-	(0.05)	-	-	-	-	-	-	-	(0.05)
	Lumax Metallics Private Limited (Formerly known as Lumax Gill - Austem Auto Technologies Private Limited)	-	-	-	-	-	-	-	(0.31)	-	-	-	-	-	-	-	(0.31)
	Sipal Engineering Private Limited	-	-	-	-	-	-	-	(0.12)	-	-	-	-	-	-	-	(0.12)
	Stanley Electric Co. Limited	(225.53)	(225.17)	-	-	-	-	-	-	-	-	-	-	-	-	(225.53)	(225.17)
xxviii)	Repair to Plant & Machinery																
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	0.42	-	-	-	-	-	-	-	0.42
xxix)	Repairs & Maintenance-Others																
	Lumax Management Services Private Limited	-	-	-	-	-	-	106.37	186.95	-	-	-	-	-	-	106.37	186.95
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	0.05	-	-	-	-	-	-	-	0.05
	Stanley Electric Co. Limited	11.56	4.51	-	-	-	-	-	-	-	-	-	-	-	-	11.56	4.51
xxx)	Sales promotion																
	Lumax Tours & Travels Limited	-	-	-	-	-	-	3.94	7.69	-	-	-	-	-	-	3.94	7.69
	Lumax Management Services Private Limited	-	-	-	-	-	-	-	28.88	-	-	-	-	-	-	-	28.88
xxxi)	Welfare (Staff And Labour)																
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	3.78	-	-	-	-	-	-	-	3.78
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.51	2.48	-	-	-	-	-	-	0.51	2.48
	Lumax Tours & Travels Limited	-	-	-	-	-	-	(1.68)	13.12	-	-	-	-	-	-	(1.68)	13.12
	Lumax Management Services Private Limited	-	-	-	-	-	-	1.68	1.68	-	-	-	-	-	-	1.68	1.68
	Stanley Electric Co. Limited	3.36	46.68	-	-	-	-	-	-	-	-	-	-	-	-	3.36	46.68

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
xxxii)	Liabilities no longer required written back														
	Stanley Electric Co. Limited	2.10	2.15	-	-	-	-	-	-	-	-	-	-	2.10	2.15
xxxiii)	Bad debts														
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	2.84	-	-	-	2.84	-
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	0.11	-	-	-	-	-	0.11
xxxiv)	Job Work Charges														
	Lumax Ancillary Limited	-	-	-	-	-	-	6.34	0.68	-	-	-	-	6.34	0.68
xxxv)	Miscellaneous Income														
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	0.01	-	-	-	-	-	0.01
	Srivit-Stanley Co. Limited	-	-	-	-	-	-	-	-	-	0.02	-	-	-	0.02
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	0.97	-	-	-	0.97
xxxvi)	Donations														
	Lumax Charitable Foundation	-	-	-	-	-	-	10.98	11.29	-	-	-	-	10.98	11.29
xxxvii)	Corporate Social Responsibility Contribution (CSR)														
	Lumax Charitable Foundation	-	-	-	-	-	-	142.76	163.21	-	-	-	-	142.76	163.21
xxxviii)	Sitting Fee														
	Mr Avinash Parkash Gandhi	-	-	5.20	5.40	-	-	-	-	-	-	-	-	5.20	5.40
	Mr Rajeve Kapoor	-	-	4.00	3.80	-	-	-	-	-	-	-	-	4.00	3.80
	Mr Munish Chandra Gupta	-	-	2.60	4.60	-	-	-	-	-	-	-	-	2.60	4.60
	Mr Rattan Kapur	-	-	4.80	4.60	-	-	-	-	-	-	-	-	4.80	4.60
	Ms. Ritika Modi	-	-	2.40	2.40	-	-	-	-	-	-	-	-	2.40	2.40
	Mr Vikrampati Singhania	-	-	1.20	-	-	-	-	-	-	-	-	-	1.20	-
	Mr Dhiraj Dhar Gupta	-	-	6.80	3.80	-	-	-	-	-	-	-	-	6.80	3.80

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

C. Details of Closing Balances of Related Parties

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate	Total	Total
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020			
i)	Trade Receivables													
	Lumax Auto Technologies Limited	-	-	-	-	-	-	3,193.46	402.37	-	-	-	3,193.46	402.37
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	0.09	4.56	-	-	-	0.09	4.56
	Lumax Ancillary Limited	-	-	-	-	-	-	136.45	132.42	-	-	-	136.45	132.42
	Bharat Enterprises	-	-	-	-	-	-	16.51	0.34	-	-	-	16.51	0.34
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	0.08	-	-	-	-	0.08
	Lumax Integrated Ventures Private Limited	-	-	-	-	-	-	0.08	-	-	-	-	0.08	-
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.08	-	-	-	-	0.08	-
	Lumax Jopp Allied Technologies Limited	-	-	-	-	-	-	-	0.05	-	-	-	-	0.05
	Lumax Metalics Private Limited (Formerly Lumax Gill - Austem Auto Technologies Private Limited)	-	-	-	-	-	-	0.08	-	-	-	-	0.08	-
	Mahavir Udyog	-	-	-	-	-	-	0.62	0.93	-	-	-	0.62	0.93
	Stanley Electric Co. Limited	7.08	-	-	-	-	-	-	-	-	-	-	7.08	-
	Stanley Electric Do Brasil Limited	-	-	-	-	-	-	-	-	1.05	0.16	-	1.05	0.16
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	7.83	43.94	-	7.83	43.94
	Velomax Mobility Private Limited	-	-	-	-	-	-	0.27	0.08	-	-	-	0.27	0.08
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	1.48	-	-	1.48
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	2.84	-	-	2.84
ii)	Advance received from Customers													
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	11.69	-	-	-	-	11.69
	Lumax Ancillary Limited	-	-	-	-	-	-	-	1.55	-	-	-	-	1.55
	Bharat Enterprises	-	-	-	-	-	-	0.59	0.56	-	-	-	0.59	0.56
iii)	Other Recoverable													
	Lumax Auto Technologies Limited	-	-	-	-	-	-	66.45	-	-	-	-	66.45	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. Account Head No.	Entity / Person having significant influence	Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate		Total
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	
iv) Trade Payables												
Lumax Auto Technologies Limited	-	-	-	-	-	5,676.99	4,381.35	-	-	-	-	5,676.99
Lumax Tours & Travels Limited	-	-	-	-	-	7.89	13.67	-	-	-	-	7.89
Lumax Ancillary Limited	-	-	-	-	-	1,739.65	2,188.36	-	-	-	-	1,739.65
Bharat Enterprises	-	-	-	-	-	432.19	691.59	-	-	-	-	432.19
Mahavir Udyog	-	-	-	-	-	401.35	552.25	-	-	-	-	401.35
Lumax Management Services Private Limited	-	-	-	-	-	298.34	194.54	-	-	-	-	298.34
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	599.65	4.04	-	-	599.65
Asian Stanley International Co. Limited	-	-	-	-	-	-	-	127.97	50.24	-	-	127.97
Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	130.22	-	-	-	130.22
Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	7.44	8.46	-	-	7.44
Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	916.31	846.03	-	-	916.31
Sirivit-Stanley Co. Limited	-	-	-	-	-	-	-	39.94	266.81	-	-	39.94
Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	2.92	-	-	-	2.92
Tianjin Stanley Electric Co Limited	-	-	-	-	-	-	-	694.08	345.88	-	-	694.08
Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	11.55	2.08	-	-	11.55
Stanley Electric Co. Limited	2,966.93	3,573.43	-	-	-	-	-	-	-	-	-	2,966.93
Capital Payables												
Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	0.74	-	-	-
Capital Advance												
Lumax Ancillary Limited	-	-	-	-	-	4,957.42	4,669.80	-	-	-	-	4,957.42
Advance paid to Vendors												
Lumax Tours & Travels Limited	-	-	-	-	-	3.45	10.60	-	-	-	-	3.45
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	0.32	-	-	-
Stanley Electric Co. Limited	-	47.54	-	-	-	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives				Entity controlled by Entity having significant influence		Associate		Total	Total
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
vii)	Recoverable from Vendors																
	Lumax Ancillary Limited	-	-	-	-	-	-	531.01	2.77	-	-	-	-	-	-	531.01	2.77
	Lumax Auto Technologies Limited	-	-	-	-	-	-	2.11	11.67	-	-	-	-	-	-	2.11	11.67
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	-	0.38	-	-	-	-	-	-	-	0.38
	Lumax FAE Technologies Private Limited	-	-	-	-	-	-	-	0.02	-	-	-	-	-	-	-	0.02
	Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	-	0.05	-	-	-	-	-	-	-	0.05
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-	-	0.10
	Lumax Metallics Private Limited (Formerly Lumax Gill - Austem Auto Technologies Private Limited)	-	-	-	-	-	-	-	0.31	-	-	-	-	-	-	-	0.31
	Sipal Engineering Private Limited	-	-	-	-	-	-	-	0.12	-	-	-	-	-	-	-	0.12
	Bharat Enterprises	-	-	-	-	-	-	47.66	-	-	-	-	-	-	-	47.66	-
	Mahavir Udyog	-	-	-	-	-	-	0.04	-	-	-	-	-	-	-	0.04	-
	Stanley Electric Co. Limited	42.57	-	-	-	-	-	-	-	-	-	-	-	-	-	42.57	-
viii)	Security Deposit for Rent																
	Mr Dhanesh Kumar Jain	-	-	-	-	3.45	2.76	-	-	-	-	-	-	-	-	3.45	2.76
ix)	Loan to Employee																
	Mr Vineet Sahni	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Loan given	-	-	-	150.00	-	-	-	-	-	-	-	-	-	-	-	150.00
	Repayment	-	-	(30.00)	(15.00)	-	-	-	-	-	-	-	-	-	-	(30.00)	(15.00)
	Closing Balance	-	-	105.00	135.00	-	-	-	-	-	-	-	-	-	-	105.00	135.00
x)	Investment																
	SL Lumax Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	SL Lumax Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-	354.74	354.74
xi)	Key Management Payables																
	Mr Deepak Jain	-	-	168.33	243.00	-	-	-	-	-	-	-	-	-	-	168.33	243.00
	Mr Anmol Jain	-	-	2.59	-	-	-	-	-	-	-	-	-	-	-	2.59	-
	Mr Vineet Sahni	-	-	21.63	86.96	-	-	-	-	-	-	-	-	-	-	21.63	86.96

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. Account Head No.	Entity / Person having significant influence	Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Associate		Total
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	
	Mr Tadayoshi Aoki	-	0.24	-	3.86	-	-	-	-	-	-	3.86
	Mr Koji Sawada	-	-	-	10.55	-	-	-	-	-	-	10.55
	Mr Kenjiro Nakazono	-	0.24	-	-	-	-	-	-	-	-	-
	Mr Avinash Parkash Gandhi	-	-	-	0.36	-	-	-	-	-	-	0.36
	Mr Rajeev Kapoor	-	-	-	0.36	-	-	-	-	-	-	0.36
	Mr Munish Chandra Gupta	-	-	-	0.36	-	-	-	-	-	-	0.36
	Mr Rattan Kapur	-	-	-	0.36	-	-	-	-	-	-	0.36
	Mrs Ritika Modi	-	-	-	0.36	-	-	-	-	-	-	0.36
	Mr Dhiraj Dhar Gupta	-	-	-	0.36	-	-	-	-	-	-	0.36
	Mr Dhanesh Kumar Jain	-	-	-	-	1.99	-	-	-	-	-	1.99
		-	-	-	-	-	-	-	-	-	-	-

Note:

The Company has established a comprehensive system on maintenance of information and documents required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The Management is of the opinion that its transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements particularly on the amount of income tax expense and that of provision of taxation.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

39 Capital and other commitments

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of Contract (Net of Advances paid during the year ₹ 5,468.06 Lakhs {31 March 2020: ₹ 5,660.05 Lakhs} remaining to be executed on capital account and not provided for)	4,511.74	2,608.71

40 Contingent liabilities

S. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Income tax cases*	3,083.71	3,169.44
(ii)	Excise, customs and Service tax*	1,249.79	1,247.79
(iii)	Sales tax and VAT*	105.13	65.17
(iv)	Export obligation#	4,519.61	4,755.40

*The Company is of the firm belief that above demands are not tenable and are unlikely to be retained and is therefore not carrying any provision in its books in respect of such demands.

Additionally, the Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

#Outstanding export obligations are to be fulfilled over a period of 6 years from the date of respective licenses under the EPCG scheme against import of plant and machinery and the related customs duty of ₹ 753.27 Lakhs (31 March 2020: ₹ 792.57 Lakhs).

During the current year, the Directorate of Revenue Intelligence ('DRI') conducted an inquiry at the Headoffice and Gurugram plant of the Company. Basis its inquiry, DRI contended that the design fee paid to Stanley for the past 5 years, in respect of moulds imported by the Company is chargeable to custom duty and GST and demanded ₹ 500.00 Lakhs which was duly deposited under protest by the Company on 1 February 2021. As at 31 March 2021, the Company is awaiting the show cause notice from the authorities and based on its assessment, it believes any demand as per abovementioned contentions shall not be tenable.

In February 2019, the Supreme Court of India in its judgement, clarified the applicability of allowances that should be considered to measure the contribution payable under Employees Provident Fund Act, 1952. The Company is of the view that, since there are many interpretative challenges on the retrospective application of the judgement, accordingly, the probable obligation relating to the earlier periods cannot be reliably estimated. Hence, the Company made provision for provident fund contribution from the date of Supreme Court Order.

41 Details of Research and development expenses are as follows:

A. The Company has incurred expenses on its research and development centre at Gurugram (Haryana) approved and recognized by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Capital expenditure	299.93	12.76

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

b. Revenue expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	1,407.83	1,335.50
Contribution to provident fund	73.82	67.19
Contribution to other funds	4.76	5.03
Staff welfare	30.74	134.73
Gratuity	35.69	50.36
Insurance	6.89	6.56
Repair & maintenance	218.03	312.06
Travelling & conveyance	179.43	378.79
Legal & professional expenses	11.03	1.31
Research & development	44.77	4.10
Power & fuel	24.26	37.31
Miscellaneous	33.15	35.88
Design, support & testing charges	61.25	49.53
Material/Consumable/Spares	2.15	14.81
Depreciation	140.09	163.98
Finance cost	2.16	3.58
Total	2,276.05	2,600.72

B. The Company has incurred expenses on its research and development centre at Pune (Maharashtra) approved and recognized by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Capital expenditure	26.51	153.72

b. Revenue expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	903.85	975.87
Contribution to provident fund	48.54	47.64
Contribution to other funds	-	0.05
Staff welfare	42.02	129.75
Gratuity	37.75	18.70
Insurance	3.67	4.27
Repair & maintenance	133.33	91.36
Travelling & conveyance	50.37	184.56
Legal & professional expenses	57.19	59.13
Power & fuel	43.51	92.73
Miscellaneous	31.14	64.56
Design, support & testing charges	23.55	15.80
Material/Consumable/Spares	0.29	0.01
Depreciation	135.37	146.95
Finance cost	1.19	1.23
Total	1,511.77	1,832.61

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

42 Government grant

The Company is availing export incentives under duty drawback rules and Merchandise Exports from India Scheme (MEIS)/ Service Exports from India Scheme (SEIS) of Central government. These incentives are availed in case of export of specified goods and services. During the year, the Company has recognized income of ₹ 94.93 Lakhs (previous year ₹ 178.04 Lakhs) under the above schemes.

Further, the Company also received ₹ 1,294.29 Lakhs (previous year ₹ Nil) as budgetary support from Government of India under GST regime.

43 The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2021.

44 Disclosure required by Ind AS 115

1. The aggregate amount of transaction price allocated to the unsatisfied performance obligations as at 31 March 2021 amounts to ₹ 116.57 Lakhs (31 March 2020: ₹ 6.40 Lakhs). This will be recognized as revenue when the moulds will be sold to the customer, which is expected to occur post 31 March 2022*.

* The above amount does not include the value of performance that have an original expected duration of one year or less, as required by Ind AS 115.

2. Revenue from contracts with customers is disaggregated by major products and service lines and is disclosed in Note no. 24 to the standalone financial statements. Further, the revenue is disclosed in the said note is gross of ₹ 616.94 Lakhs (31 March 2020: Rs 459.38 Lakhs) representing cash discount to customers.

3. The following table provides further information as required by Ind AS 115:

Particulars	As at / Year ended 31 March 2021	As at / Year ended 31 March 2020
Receivables included in 'Trade receivables'	21,631.34	17,321.45
Revenue recognized in the current year included in the contract liability balance at the beginning of the year.	2,048.14	5,629.91
Unbilled revenue (Contract Assets)	1,161.64	849.48
Advances from customers (Contract Liabilities)	3,558.38	2,595.20

45 The spread of COVID 19 has affected the business operations during the current year. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities for certain period during the year. The Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial statements. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

Notes to the Standalone Financial Statements for the year ended 31 March 2021 (Contd.)

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

46 On 1 April 2019, the Company purchased certain assets from Lumax Auto Technologies Limited (refer note 38) at a consideration of ₹ 2,245.41 Lakhs, pursuant to which, the Company has setup in-house Electronic facility at Manesar on 11 April 2019 for manufacture of Printed Circuit Boards ('PCB'). The said acquisition was primarily done to optimize cost by indigenization of Printed Circuit Board ('PCB') and expand the customer base.

The abovementioned purchase of assets has been accounted as Business Combination in accordance with Ind AS 103. The consideration for above transaction was transferred through Bank. Further, the Company incurred acquisition-related costs of ₹ 9.00 Lakhs on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

The fair values of assets (i.e. Property, plant and equipment and other intangible assets) acquired amounts to ₹ 1,267.83 Lakhs. Further, Goodwill arising from the acquisition amounts to ₹ 977.58 Lakhs which is attributable to synergies expected to be achieved from integrating PCB into the Company's existing business. The Goodwill is not deductible for income tax purposes vide Finance Act 2021.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABC3961

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial
Officer

Place: New Delhi

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: New Delhi

Date: 11 June 2021

Independent Auditor's Report

To the Members of Lumax Industries Limited

Report on the Audit of Consolidated Financial Statements Opinion

We have audited the consolidated financial statements of Lumax Industries Limited (hereinafter referred to as the 'Holding Company') and its associate, which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 report of other auditor on separate financial statements of such associate as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 Holding Company and its associate as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Holding Company and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our 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 of the current period. 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.

Independent Auditor's Report (Contd.)

The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue Recognition</p> <p>See note 3(k), 24 and 45 to the consolidated financial statements</p> <p>Revenue is measured at fair value of the consideration received or receivable, after deduction of any discounts/ rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Revenue is recognised only to the extent that it is highly probable a significant reversal will not occur. The timing of revenue recognition is relevant to the reported performance of the Holding Company. The management considers revenue as a key measure for evaluation of performance.</p> <p>The Holding Company considers certain variable considerations such as price adjustment and discounts to be passed to customers on the basis of agreed terms, negotiations with customers/ commercial considerations, which involves significant judgement and estimates to arrive at the amount of price adjustments to be accrued for adjustment to revenue.</p> <p>We have considered revenue recognition as a key audit matter on account of the qualitative and quantitative factors as mentioned above.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> - assessed the appropriateness of the accounting policy for revenue recognition, including those relating to price increase/ decrease and discounts as per the applicable accounting standards; - evaluated the design and implementation of the Company's key internal financial controls over revenue recognition including those relating to price increase/decrease and discounts and tested the operating effectiveness of such controls on selected transactions; - Inspected samples identified by applying statistical sampling from the underlying documents that revenue has been booked correctly and in the correct period with reference to supporting invoices, terms and conditions with customers and receipts from customers; - Inspected on a sample basis, the supporting documents for sales transactions recorded during the period closer to the year end to determine whether revenue was recognised in the correct period; - evaluated management's methodology and assumptions used in the calculations of price adjustments. Inspected, on sample basis, debit note/credit notes issued, receipts/payment made as per approved customer contracts, agreed price adjustments passed on to the customers and evaluated completeness, arithmetical accuracy and validity of the data used in the computation of price adjustments; - performed analytical procedures on current year revenue and price adjustments, based on trends and where appropriate, conducting further enquiries and testing; - inspected manual journals posted to revenue to identify unusual items; - assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and our auditors' 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 the 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 and based on the audit report of other auditor, 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.

Independent Auditor's Report (Contd.)

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Holding Company including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Management and Board of Directors of the Holding Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company, and for preventing and detecting frauds and other irregularities; the 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 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 Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Holding Company and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding Company and of its associate is responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 Holding Company and its associate 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.

Independent Auditor's Report (Contd.)

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Holding Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the consolidated financial statements of which we are the independent auditors. For the associate included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditor referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company 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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Matters

The consolidated financial statements also include the Holding Company's share of net profit (and other comprehensive

income) (before consolidation adjustments) of Rs. 154.09 lakhs for the year ended 31 March 2021, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such associate as was audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor;
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;
 - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the report

of the statutory auditor of its associate company incorporated in India, none of the directors of the Holding Company and its associate company incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 auditor on separate financial statements of the associate, as noted in the 'Other Matters' paragraph:

- i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Holding Company and its associate. Refer Note 40 to the consolidated financial statements.
- ii. The Holding Company and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.
- iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2021. Further, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its associate company incorporated in India; and

- iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

- C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of such associate company incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company and its associate company to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to its directors by the Holding Company and its associate company is in excess of the limits laid down under Section 197 read with Schedule V of the Act, however, necessary approval with respect to the same has been obtained by the Company (refer note 38 to the consolidated financial statement). The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W/W-100024

Manish Kapoor

Partner

Membership No.: 510688

ICAI UDIN: 21510688AAAABD9544

Place: Gurugram

Date: 11 June 2021

Annexure A to the Independent Auditor's report on the consolidated financial statements of Lumax Industries Limited for the period ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Lumax Industries Limited (hereinafter referred to as "the Holding Company") and such company incorporated in India under the Companies Act, 2013 which is its associate company, as of that date.

In our opinion, the Holding Company and its associate, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 were 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 the internal controls 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 consolidated 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 auditor of the relevant associate company 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 controls 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 controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

Annexure A to the Independent Auditor's report (Contd.)

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 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.

Other Matters

Our aforesaid reports 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 insofar as it relates to one associate company, which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W/W-100024

Manish Kapoor

Partner

Membership No.: 510688

ICAI UDIN: 21510688AAAABD9544

Place: Gurugram

Date: 11 June 2021

Consolidated Balance Sheet

as at 31 March 2021

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

Particulars	Notes	As at 31 March 2021	As at 31 March 2020
I ASSETS			
Non-current assets			
Property, plant and equipment	4A	58,117.23	61,261.53
Capital work-in-progress	4B	4,701.63	3,216.74
Right of use assets	4C	3,074.04	2,375.43
Investment property	5	72.13	72.13
Goodwill	4E	977.58	977.58
Other intangible assets	4D	473.34	580.51
Intangible assets under development	4F	-	2.06
Investments accounted using the equity method	44	9,033.81	8,864.14
Financial assets			
Investments	6	160.00	160.00
Loans	7	718.04	690.64
Others	8	141.26	164.19
Non current tax assets (net)	12	502.09	745.04
Other non-current assets	13	7,202.48	6,330.50
Total non-current assets		85,173.63	85,440.49
Current assets			
Inventories	14	22,234.22	17,917.82
Financial assets			
Investments	6	21.10	10.51
Trade receivables	9	21,631.34	17,321.45
Cash and cash equivalents	10	283.65	795.00
Bank balances other than above	10	31.35	3,000.65
Loans	7	87.90	98.27
Derivatives	11	-	237.34
Others	8	3,238.39	1,030.14
Other current assets	13	3,534.24	2,468.25
Total current assets		51,062.19	42,879.43
TOTAL ASSETS		1,36,235.82	1,28,319.92
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	934.77	934.77
Other equity	16	45,108.52	43,712.03
Total equity		46,043.29	44,646.80
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	17	1.89	2,638.19
Lease liability	18	3,617.97	2,796.22
Provisions	22	3,196.54	2,838.63
Deferred tax liabilities (net)	23	3,283.72	2,292.87
Total non current liabilities		10,100.12	10,565.91
Current liabilities			
Financial liabilities			
Borrowings	17	30,082.92	26,564.61
Lease liability	18	98.20	68.18
Trade payables			
- total outstanding dues of micro and small enterprises, and	19	1,534.23	671.80
- total outstanding dues of creditors other than micro and small enterprises	19	35,909.52	30,845.33
Other financial liabilities	20	7,453.41	10,540.31
Other current liabilities	21	4,140.78	3,730.85
Provisions	22	873.35	686.13
Total current liabilities		80,092.41	73,107.21
Total liabilities		90,192.53	83,673.12
TOTAL EQUITY AND LIABILITIES		1,36,235.82	1,28,319.92
Summary of significant accounting policies	3		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Shruti Kant Rustagi

Chief Financial
Officer

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABD9544

Place: New Delhi

Date: 11 June 2021

Place: Gurugram

Date: 11 June 2021

Place: New Delhi

Date: 11 June 2021

Place: New Delhi

Date: 11 June 2021

Statement of Consolidated Profit and Loss

for the year ended 31 March 2021

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

Particulars	Notes	Year ended 31 March 2021	Year ended 31 March 2020
I REVENUE			
Revenue from operations	24	1,42,598.07	1,60,158.72
Other income	25	2,523.38	735.27
TOTAL REVENUE		1,45,121.45	1,60,893.99
II EXPENSES			
Cost of materials consumed			
Cost of raw material and components consumed	26	86,205.22	87,782.00
Cost of moulds, tools & dies	26.1	4,378.00	10,665.41
Purchase of stock in trade	27	449.81	442.13
Changes in inventories of finished goods, stock-in-trade and work-in-progress	28	(773.38)	(498.85)
Employee benefits expenses	29	20,679.78	20,991.68
Finance costs	30	2,847.54	2,191.56
Depreciation and amortization	31	6,451.32	6,354.42
Other expenses	32	21,731.18	25,001.30
TOTAL EXPENSES		1,41,969.47	1,52,929.65
III Profit before income tax and share in profit of associate (I-II)		3,151.98	7,964.34
IV Profit of associate		154.09	1,208.76
V Profit before tax (III+IV)		3,306.07	9,173.10
VI Tax Expense:			
Current tax	23	544.20	1,380.07
Deferred tax (including MAT for earlier years)	23	946.64	603.35
Income tax expenses		1,490.84	1,983.42
VII Profit for the year (V-VI)		1,815.23	7,189.68
VIII Other comprehensive income/ (loss)			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability		142.12	(68.79)
Income tax relating to above		-	-
Net other comprehensive income/ (loss) not to be reclassified subsequently to profit or loss		142.12	(68.79)
IX Total comprehensive income for the year (VII+VIII)		1,957.35	7,120.89
X Earnings/(Loss) per equity share - Basic and diluted {Nominal value of share ₹ 10 (Previous year : ₹ 10) each}	33	19.42	76.91
Summary of significant accounting policies	3		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABD9544

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial
Officer

Place: New Delhi

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: New Delhi

Date: 11 June 2021

Consolidated Statement of Changes in Equity

for the year ended 31 March 2021

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

a. Equity share capital

Particulars	Note	Amount
Balance as at 31 March 2019		934.77
Changes in equity share capital during the year	15A	-
Balance at 31 March 2020		934.77
Changes in equity share capital during the year	15A	-
Balance at 31 March 2021		934.77

b. Other Equity

Particulars	Note	Reserves and Surplus				Items of OCI	Total
		Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of defined benefit plans	
Balance as at 31 March 2019		0.65	6,796.66	9,638.47	26,119.15	-	42,554.93
Profit for the year	16A	-	-	-	7,189.68	-	7,189.68
Dividends	16B	-	-	-	(4,907.56)	-	(4,907.56)
Dividend distribution tax	16B	-	-	-	(1,008.76)	-	(1,008.76)
Other comprehensive income	16A	-	-	-	-	(68.79)	(68.79)
Transferred to retained earnings	16A	-	-	-	(68.79)	68.79	-
Dividend tax on dividend received	16A	-	-	-	(47.47)	-	(47.47)
Balance at 31 March 2020		0.65	6,796.66	9,638.47	27,276.25	-	43,712.03
Profit for the year	16A	-	-	-	1,815.23	-	1,815.23
Dividends	16B	-	-	-	(560.86)	-	(560.86)
Other comprehensive income	16A	-	-	-	-	142.12	142.12
Transferred to retained earnings	16A	-	-	-	142.12	(142.12)	-
Balance at 31 March 2021		0.65	6,796.66	9,638.47	28,672.74	-	45,108.52

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABD9544

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial
Officer

Place: New Delhi

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: New Delhi

Date: 11 June 2021

Consolidated Cash Flow Statement

for the year ended 31 March 2021

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

S. No.	Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A.	Cash flow from operating activities		
	Profit before tax	3,306.07	9,173.10
	Adjustment to reconcile profit before tax to net cash flows		
	Share in profits of Associate	(154.09)	(1,208.76)
	Depreciation/ amortization	6,451.32	6,354.42
	Bad Debts	33.89	167.49
	Advances written off	34.87	18.59
	Provision for doubtful debts	34.41	129.38
	Net (gain)/loss on disposal of property, plant and equipment	(250.59)	6.75
	Change in fair value of investment	(10.59)	3.42
	MTM (gain)/loss on cross currency swaps and forward contracts	237.34	(237.34)
	Unrealized foreign exchange (gain)/ loss	(587.62)	644.68
	Provisions/creditors no longer required written back	(5.49)	(25.22)
	Finance cost	2,814.05	2,191.56
	Interest on tax	33.49	-
	Interest income	(33.25)	(115.00)
	Dividend income	(11.52)	(2.01)
	Operating profit before changes in asstes and liabilities	11,892.29	17,101.06
	Change in assets and liabilities		
	Decrease/ (increase) in inventories	(4,316.40)	2,496.91
	Decrease/ (increase) in trade receivables	(4,352.71)	4,356.84
	Decrease/ (increase) in loans	(24.44)	(151.08)
	Decrease/ (increase) in other financial assets	(2,326.70)	207.11
	Decrease/ (increase) in other assets	(1,557.51)	87.93
	(Decrease)/ increase in trade payables	6,279.56	(6,821.51)
	(Decrease)/ increase in other financial liabilities	729.92	(1,249.87)
	(Decrease)/ increase in other liabilities	409.93	(4,299.99)
	(Decrease)/ increase in provisions	501.96	172.28
	Cash generated from operations	7,235.90	11,899.68
	Income taxes paid (net of refunds)	(384.67)	1,574.57
	Net cash flow from/ (used in) operating activities (A)	7,620.57	10,325.11
B.	Cash flow from investing activities		
	Purchase of fixed assets, including CWIP and capital advances	(6,737.98)	(16,692.32)
	Proceeds from sales of property, plant and equipment	545.28	57.19
	Interest received	119.10	28.89
	Dividends received	11.52	232.93
	Maturity from/(Investments in) bank deposits (having original maturity of more than three months)	2,989.96	(3,003.18)
	Net cash flow from/ (used in) investing activities (B)	(3,072.12)	(19,376.49)
C.	Cash flow from financing activities		
	Proceeds from bank loan	5,641.25	13,811.89
	Repayment of bank loan	(10,011.21)	(9,198.60)
	Proceeds from/(repayment) of cash credit/WCDL/vendor finance facility (net)	2,818.31	13,068.21
	Payment of finance lease	(296.34)	(226.30)
	Interest paid	(2,649.33)	(1,938.75)
	Dividend paid on equity shares	(562.48)	(4,862.64)
	Dividend distribution tax	-	(1,008.76)
	Net cash flow from/ (used in) financing activities (C)	(5,059.80)	9,645.05
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(511.35)	593.67
	Cash and cash equivalents at the beginning of the year	795.00	201.33
	Cash and cash equivalents at the end of the year	283.65	795.00

Consolidated Cash Flow Statement for the year ended 31 March 2021 (Contd.)

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

S. Particulars				Year ended		
No.				31 March 2021	31 March 2020	
i	Components of cash and cash equivalents					
	Cash on hand			14.98	14.48	
	Balances with banks:					
	On current accounts			268.67	780.52	
	Total cash and cash equivalents			283.65	795.00	
ii	Movement in financial liabilities	Lease liabilities	Long term loans	Short term loans	Interest payable	Total
	As on 1 April 2019	792.83	271.29	13,696.40	49.51	14,810.03
	Cash flows (net)	(226.30)	4,813.29	12,868.21	(1,938.75)	15,516.45
	Other non cash transactions:					
	- Acquisition	2,147.18	-	-	-	2,147.18
	- Interest	150.69	-	-	2,040.87	2,191.56
	- Foreign exchange movement	-	207.80	-	-	207.80
	As on 1 April 2020	2,864.40	5,292.38	26,564.61	151.63	34,873.02
	Cash flows (net)	(296.34)	(5,069.96)	3,518.31	(2,649.33)	(4,497.32)
	Other non cash transactions:					
	- Acquisition	884.93	-	-	-	884.93
	- Interest	263.18	-	-	2,550.87	2,814.05
	- Foreign exchange movement		(209.20)	-	-	(209.20)
	As on 31 March 2021	3,716.17	13.22	30,082.92	53.17	33,865.48

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of Lumax Industries Limited

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAAABD9544

Deepak Jain

Chairman &
Managing Director
DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior
Executive Director
DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial
Officer

Place: New Delhi

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No.-A 28161

Place: New Delhi

Date: 11 June 2021

Notes to the Consolidated Financial Statements

for the year ended 31 March 2021

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

1 Reporting entity

Lumax Industries Limited ('the Holding Company') is engaged in the business of manufacture, trading and supply of auto components, mainly automotive lighting systems for four wheeler and two wheeler vehicles. The Holding Company is domiciled in India, with its registered office situated at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi -110046. The Holding Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. These consolidated Ind AS financial statements comprise the Holding Company and its interest in associate, SL Lumax Limited.

2 Basis of preparation

A. Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These consolidated financial statements are approved by the Holding Company's Board of Directors on 11 June 2021.

Details of Holding Company's accounting policies are included in Note 3.

B. Basis of consolidation

Equity accounted investees

The Holding Company's interest in equity account investees represents interest in associate i.e. SL Lumax Limited.

An associate is an entity in which the Holding Company has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate is accounted using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements which include the Holding Company's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated to the extent of Holding Company's proportionate share. Unrealized gains arising

from transactions with equity accounted investees are eliminated against the investment to the extent of Holding Company's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Uniform accounting policies

The Holding Company and its associate follow a uniform accounting period and as far as possible, the consolidated financial statements have been prepared using accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's separate financial statements.

C. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded-off to nearest Lakhs and two decimals thereof, unless otherwise indicated.

D. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following items:

- Certain financial assets and liabilities (including derivative instruments) - measured at fair value.
- Net defined benefit (asset)/ liability - measured at fair value of plan assets less present value of defined benefit obligations.
- Other financial assets and liabilities - measured at amortized cost.

E. Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties and judgements

Information about judgements, assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ended 31 March 2021 and judgements made in applying accounting policies that have the most significant effects

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

on the amounts recognized in the consolidated financial statements is included in the following notes:

- i) Recognition of deferred tax assets - note 23- The Holding Company has recognized deferred tax assets and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Holding Company is expected to generate adequate taxable income for liquidating these assets in due course of time.
- ii) Write down of inventories - note 14 - Inventories measured at the lower of cost and net realizable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions to determine obsolete or excess inventories.
- iii) Impairment of financial assets - note 37 - The impairment provisions for financial assets are based on certain judgements made by the Management in making assumptions and selecting the inputs to the impairment calculation, based on the Holding Company's history, existing market conditions as well as forward looking estimates at the end of each reporting period. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Holding Company and that are believed to be reasonable under the circumstances.
- iv) Provision for employee benefits - note 22 & 36 - The measurement of obligations and assets related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations.
- v) Other liabilities - note 20 – The Holding Company creates accrual of price adjustments based on agreed terms, negotiations with customers and various commercial considerations, which involves significant judgement and estimates to arrive at the amount of price adjustments to be accrued for adjustment to revenue.

F. Measurement of fair values

A number of the Holding Company's accounting policies and disclosures require the measurement of fair values,

for both financial and non-financial assets and liabilities. The Holding Company has an established control framework with respect to the measurement of fair values. The Holding Company regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Holding Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Holding Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 37 - financial instruments; and

Note 5 - investment property.

3 Significant accounting policies

a. Current versus non-current classification

The Holding Company presents assets and liabilities in the Balance Sheet based on current / non-current classification. The Holding Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by the Ministry of Corporate Affairs.

An asset is classified 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

- 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 classified as current when:

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

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Holding Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Holding Company has ascertained its operating cycle to be less than 12 months for the purpose of current and non-current classification of assets and liabilities.

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

b. Property, plant & equipment (PPE)

i) Recognition and Measurement

The cost of an item of Property, plant and equipment is recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and

direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Holding Company intends to use these during more than a period of 12 months and whose use is expected to be irregular are capitalized as PPE.

Gains or losses arising from the retirement or disposal of an property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific fixed assets and that are attributable to construction activity in general and can be allocated to specific fixed assets are included in capital work-in-progress.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Holding Company.

ii) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is recognized in the statement of profit and loss. Depreciation is charged on a pro-rata basis for assets acquired/sold during the year from/to the date of acquisition/sale. Freehold land is not depreciated.

The estimated useful lives of items of property, plant and equipment in years for the current and comparative periods are as follows:

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Assets	Estimated useful lives	Useful lives as per schedule II
Factory building	30 years	30 years
Other building	60 years	60 years
Plant and machinery	3-21 years	15 years
Furniture & fixtures	10 years	10 years
Vehicles	5 years	8 years
Office equipment	5 years	5 years

Based on technical evaluation and internal assessment of useful lives, the management believes that its estimate of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation method, assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets for review and adjusted residual life prospectively.

iii) *Reclassification to investment property*

When the use of property changes from owner occupied property to investment property the property is reclassified as investment property at its carrying value on the date of reclassification.

c. **Intangible assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

Amortization methods, estimated useful lives and residual value.

Intangible assets are amortized on a straight-line basis over their estimated useful lives. The amortization period, residual value and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

The estimated useful lives are as follows:

Computer software	Over the estimated lives ranging from 3.5 years to 4 years
Technical know-how	Over the period of technical assistance agreement i.e. 8 years

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying

amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

d. **Investment property**

Investment property is property held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon, Initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.

Gains or losses arising from the retirement or disposal of an investment property are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The fair values of investment property is disclosed in the notes.

e. **Assets held for sale**

Non-current assets are classified as held for sale, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

These assets are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets, which are specifically exempt from this requirement. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in Statement of Profit and Loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

f. **Inventories**

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on the moving weighted average method and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their present condition and location. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Raw materials, components and other supplies held for use in production of finished products 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 their net realizable value.

The Comparison of cost and net realizable value is made on an item-by-item basis.

Obsolete, defective and unserviceable stocks are duly provided for, wherever required.

g. Cash and Cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Holding Company are segregated based on the available information.

h. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset except in the case of financial assets recorded at fair value through profit and loss.

Classification

On Initial recognition, a financial asset is classified as measured at:

- Amortized cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Holding Company changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortized cost if both of the following conditions are met and is not designated as at FVTPL:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVOCI if both of the following criteria are met and is not designated as at FVTPL:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Holding Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Holding Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Holding Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- a) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- b) how the performance of the portfolio is evaluated and reported to the Holding Company's management;

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

- c) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- d) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- e) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Holding Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Holding Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Holding Company considers:

- a) contingent events that would change the amount or timing of cash flows;
- b) terms that may adjust the contractual coupon rate, including variable interest rate features;
- c) prepayment and extension features; and
- d) terms that limit the Holding Company's claim to cash flows from specified assets (e.g. non-recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of Profit and Loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is recognized in Statement of Profit and Loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in Statement of Profit and Loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Derecognition

Financial asset

A financial asset is derecognized only when:

- the Holding Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Where the Holding Company has transferred an asset, the Holding Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Holding Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Holding Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Holding Company has not retained control of the financial asset. Where the Holding Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liability

The Holding Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Holding Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Holding Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments

The Holding Company uses derivative financial instruments to hedge its certain foreign currency risks. Derivative financial instruments are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each period. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

i. Impairment

i) Impairment of financial assets

The Holding Company recognizes loss allowances for expected credit losses on financial assets

measured at amortized cost and financial assets measured at FVOCI- debt investments. At each reporting date, the Holding Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer; or
- a breach of contract such as a default or being past due.

The Holding Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Holding Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Holding Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

analysis, based on the Holding Company's historical experience and informed credit assessment and including forward- looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Holding Company in accordance with the contract and the cash flows that the Holding Company expects to receive).

The Holding Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Holding Company does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Statement of Profit and Loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Holding Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Holding Company's procedures for recovery of amounts due.

ii) Impairment of non-financial assets

The Holding Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

The Holding Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Holding Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

j. Provisions (other than for employee benefits) and contingent liabilities

A provision is recognized if, as a result of a past event, the Holding Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Warranties

A provision for warranties is recognized when the underlying products or services are sold. The provision is based on historical warranty data and weighting of all possible outcomes by their associated probabilities. Provisions for warranties are adjusted regularly to take account of new circumstances and the impact of any changes recognized in the income statement.

Rate decrease

The Liability for rate decrease is recognized on the basis of firm commitments with the customers and past trends. The Liabilities are adjusted to regularly during the year as soon as the obligating event occurs.

Contingent liabilities

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognized when the Holding Company has a present obligation as a result of a past event and 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. These are reviewed at each Balance Sheet date and adjusted to reflect current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have risen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of

the enterprise. When there is a possible obligation or present obligation where the likelihood of an outflow is remote, no disclosure or provision is made.

k. Revenue

Sale of goods (including moulds)

Nature and timing of satisfaction of performance obligations, including significant payment terms

Customers obtain control of goods when the goods are delivered to and have been accepted at their premises. However, few customers accept the goods when goods have been dispatched by the Holding Company.

Invoices are generated at that point in time. Invoices are usually payable within 45 days. No discounts are usually provided for goods, but few customers may avail cash discount on prompt payment of the goods.

Some contracts permit the customer to return an item. Returned goods are exchanged only for new goods – i.e. no cash refunds are offered.

Revenue recognition

Revenue arising from the sale of goods (including moulds) is recognized when the customer obtains control of the promised asset, i.e. either at the delivery or dispatch of goods (based on the agreed terms of sale with the respective customers), which is the point in time when the customer has the ability to direct the use of the goods and obtain substantially all of the remaining benefits of the goods.

For contracts that allow the customers to avail the cash discount, the Holding Company estimates the value of discount by applying the 'Most likely amount' method and past experience of the Holding Company.

For contracts that permit the customer to return an item, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

Sale of services

Nature and timing of satisfaction of performance obligations, including significant payment terms

Customers obtain control of services when the services are completed to the satisfaction of the Customer. Invoices for services are usually payable within 45 days.

Revenue recognition

Revenue arising from the sale of services is recognized at the point in time when the Holding Company satisfies the performance obligation and the services are completely rendered to the customer.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

I. Recognition of dividend income, interest income or expense

Dividend income is recognized in Statement of Profit and Loss on the date on which the Holding Company's right to receive payment is established.

Interest income or expense is recognized using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument to the gross carrying amount of the financial asset or amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

m. Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Holding Company incurs in connection with the borrowing of funds (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs).

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Holding Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete

All other borrowing costs are expensed in the period in which they occur.

n. Leases

The Holding Company as a lessee

The Holding Company's lease asset classes primarily consist of leases for land, buildings and plant and machinery. The Holding Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Holding Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Holding Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Holding Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Holding Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Holding Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Holding Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Holding Company as a lessor

When the Holding Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Holding Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Holding Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Holding Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

The accounting policies applicable to the holding Company as a lessor in the comparative period were not different from Ind AS 116.

o. Employee benefits

i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Holding Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed

contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident Fund and Employee State Insurance: The Holding Company makes specified monthly contributions towards Government administered provident fund and Employee State Insurance scheme in respect of certain employees. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Superannuation Fund: Contributions are made to a scheme administered by the Life Insurance Corporation of India to discharge superannuating liabilities to the employees, a defined contribution plan, and the same is expensed to the Statement of Profit and Loss. The Holding Company has no liability other than its annual contribution.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Holding Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in other comprehensive income (OCI). The Holding Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Holding Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv) Other long-term employee benefits

The Holding Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognized in Statement of Profit and Loss in the period in which they arise.

p. Income tax

Income tax comprises current and deferred tax. It is recognized in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction; and
- temporary differences related to investment in associate to the extent that the Holding Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Holding Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognized as deferred tax asset.

Deferred tax assets (including MAT credit) are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

of recent losses, the Holding Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

q. Grant

Where the grant or subsidy relates to an asset, it is recognized by deducting the grant in arriving at the carrying amount of asset. However, when the grant or subsidy relates to an expenses item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the Holding Company receives grants of non-monetary assets, the asset is recognized by deducting the fair value of grant from gross value of asset.

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s. Segment reporting

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available. The Holding Company is engaged in the business relating to manufacture, trading and supply of auto components, mainly automotive lighting systems for four wheeler and two wheeler vehicles. Accordingly, the Holding Company's activities/business is reviewed regularly by the Holding Company's Managing Director assisted by an executive committee from an overall business perspective, rather than reviewing its products/ services as individual standalone components.

Based on the dominant source and nature of risks and returns of the Holding Company, management has identified its business segment as its primary reporting format. Accordingly, same has been defined as one business segment.

t. Dividend Distribution

The Holding Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Holding Company. 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.

u. Foreign currency transactions

Initial recognition and settlement

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognized in profit or loss.

Subsequent recognition

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of the following items which are recognized in OCI.

- equity investments at fair value through OCI (FVOCI);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

v. Business combinations

In accordance with Ind AS 103, the Holding Company accounts for the business combination using the acquisition method when control is transferred. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognized directly in equity as capital reserve. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognized in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in statement of profit and loss.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

4A Property, plant & equipment

Particulars	Land		Buildings	Plant and machinery	Furniture & fixtures	Office equipment	Vehicles	Total
	Leasehold	Freehold						
Gross Block								
As at 31 March 2019	133.75	3,521.49	10,977.34	51,612.50	644.70	360.85	1,401.57	68,652.20
Additions	-	-	1,216.93	10,439.96	66.40	22.81	32.58	11,778.68
Acquired through business purchase (refer note 47)	-	-	-	1,137.76	42.86	63.29	15.27	1,259.18
Transferred to right of use assets (under Ind AS 116)	(133.75)	-	-	-	-	-	-	(133.75)
Disposals/adjustments	-	-	-	(39.37)	(0.09)	(0.33)	(51.68)	(91.47)
As at 31 March 2020	-	3,521.49	12,194.27	63,150.85	753.87	446.62	1,397.74	81,464.84
Additions	-	-	637.65	2,111.78	384.23	56.42	-	3,190.08
Disposals/adjustments	-	-	(0.37)	(379.58)	-	(1.86)	(7.41)	(389.22)
As at 31 March 2021	-	3,521.49	12,831.55	64,883.05	1,138.10	501.18	1,390.33	84,265.70
Depreciation								
As at 31 March 2019	4.97	-	1,147.04	12,127.54	186.56	123.51	650.28	14,239.90
For the year	-	-	432.89	5,113.43	76.94	98.17	274.48	5,995.91
Transferred to right of use assets (under Ind AS 116)	(4.97)	-	-	-	-	-	-	(4.97)
Disposals/adjustments	-	-	-	(4.90)	-	(0.05)	(22.58)	(27.53)
As at 31 March 2020	-	-	1,579.93	17,236.07	263.50	221.63	902.18	20,203.31
For the year	-	-	509.61	5,115.20	109.78	84.70	220.40	6,039.69
Disposals/adjustments	-	-	(0.07)	(86.87)	-	(1.00)	(6.59)	(94.53)
As at 31 March 2021	-	-	2,089.47	22,264.40	373.28	305.33	1,115.99	26,148.47
Net Block:								
As at 31 March 2020	-	3,521.49	10,614.34	45,914.78	490.37	224.99	495.56	61,261.53
As at 31 March 2021	-	3,521.49	10,742.08	42,618.65	764.82	195.85	274.34	58,117.23

Note:

- Property, plant and equipment representing land and building amounting to ₹ 734.09 Lakhs (31 March 2020 - ₹ 737.48 Lakhs) have been pledged as security by the Holding Company.

4B Capital Work in progress

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	3,216.74	4,899.83
Additions made during the year	4,674.97	10,095.59
Capitalized during the year	(3,190.08)	(11,778.68)
Total	4,701.63	3,216.74

Note:

- The Holding Company has capitalized borrowing cost relating to construction of building and purchasing of plant and machinery amounting to ₹ 37.52 Lakhs (31 March 2020 - ₹ Nil).

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

4C Right of use assets

Particulars	Leased Assets	Total
Gross Block		
As at 31 March 2019	-	-
Additions	2,398.00	2,398.00
Transferred from property, plant & equipment (under Ind AS 116)	133.75	133.75
Disposals/adjustments	-	-
As at 31 March 2020	2,531.75	2,531.75
Additions	892.34	892.34
Disposals/adjustments	-	-
As at 31 March 2021	3,424.09	3,424.09
Depreciation		
As at 31 March 2019	-	-
Transferred from property, plant & equipment (under Ind AS 116)	4.97	4.97
For the year	151.35	151.35
Disposals/adjustments	-	-
As at 31 March 2020	156.32	156.32
For the year	193.73	193.73
Disposals/adjustments	-	-
As at 31 March 2021	350.05	350.05
Net Block:		
As at 31 March 2020	2,375.43	2,375.43
As at 31 March 2021	3,074.04	3,074.04

4D Other intangible assets

Particulars	Computer Software	Total
Gross Block		
As at 31 March 2019	895.07	895.07
Additions	318.27	318.27
Acquired through business purchase (refer note 46)	8.65	8.65
Disposals/adjustments	-	-
As at 31 March 2020	1,221.99	1,221.99
Additions	125.17	125.17
Disposals/adjustments	-	-
As at 31 March 2021	1,347.16	1,347.16
Depreciation		
As at 31 March 2019	434.32	434.32
For the year	207.16	207.16
Disposals/adjustments	-	-
As at 31 March 2020	641.48	641.48
For the year	232.34	232.34
Disposals/adjustments	-	-
As at 31 March 2021	873.82	873.82
Net Block:		
As at 31 March 2020	580.51	580.51
As at 31 March 2021	473.34	473.34

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

4E Goodwill

Particulars	Goodwill	Total
Gross Block		
As at 31 March 2019	-	-
Additions	977.58	977.58
Disposals/adjustments	-	-
As at 31 March 2020	977.58	977.58
Additions (refer note 46)	-	-
Disposals/adjustments	-	-
As at 31 March 2021	977.58	977.58
Impairment		
As at 31 March 2019	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
Net Block:		
As at 31 March 2020	977.58	977.58
As at 31 March 2021	977.58	977.58

4F Intangible asset under development

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	2.06	78.82
Additions made during the year	-	-
Capitalized during the year	(2.06)	(76.76)
Total	-	2.06

5 Investment property

Particulars	Freehold land	Total
Gross Block		
As at 31 March 2019	72.13	72.13
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2020	72.13	72.13
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2021	72.13	72.13
Depreciation		
As at 31 March 2019	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
Net Block:		
As at 31 March 2020	72.13	72.13
As at 31 March 2021	72.13	72.13

Notes:

- The fair value of Investment property has been determined considering the current expected sale value in the market and has been categorized as Level 3 fair value (refer note 2F).
- Fair market value as at 31 March 2021 amounts to ₹ 1,484.80 Lakhs (31 March 2020 - ₹ 1,278.00 Lakhs).

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

6 Investments

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-Current investments		
Unquoted equity shares		
<i>Equity shares at FVTPL</i>		
6,55,832 (31 March 2020: 6,55,832) equity shares of ₹ 10 each fully paid-up in Caparo Power Limited	65.58	65.58
Unquoted Preference shares		
<i>Preference shares at FVTPL</i>		
9,44,168 (31 March 2020: 9,44,168) 2% Redeemable Preference shares of ₹ 10 each fully paid-up in Caparo Power Limited	94.42	94.42
Total-A	160.00	160.00
B-Current investments		
Quoted equity shares at FVTPL		
43,866 (31 March 2020: 43,866) equity shares of ₹ 10 each fully paid up in PNB Gilts Limited	21.10	10.51
Total-B	21.10	10.51
Total- Investments (A+B)	181.10	170.51
Aggregate cost of quoted investments	9.87	9.87
Aggregate market value of quoted investments	21.10	10.51
Aggregate amount of unquoted investments	160.00	160.00
Aggregate amount of impairment in value of investment	-	-

7 Loans

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-Current		
Security deposits	640.66	589.75
Loan to employees	77.38	100.89
Total-A	718.04	690.64
B-Current		
Loan to employees	87.90	98.27
Total-B	87.90	98.27
Total- Loans (A+B)	805.94	788.91

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

8 Other financial assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-current		
Margin money with banks* (deposits with maturity of more than 12 months)	-	25.66
Time deposits with others (deposits with maturity of more than 12 months)	5.00	-
Unpaid dividend accounts#	136.26	137.88
Interest accrued but not due on fixed deposits	-	0.65
Total - A	141.26	164.19
B-Current		
Unbilled revenue	1,161.64	849.48
Interest accrued but not due on fixed deposits	2.56	87.76
Export benefits and other incentive receivable	1,170.95	7.76
Others	903.24	85.14
Total - B	3,238.39	1,030.14
Total- Other financial assets (A+B)	3,379.65	1,194.33

* Margin money with banks represents fixed deposits pledged with banks for guarantees issued to government authorities.

The Holding Company can utilize the balance only towards settlement of unclaimed dividend.

9 Trade receivables*

Particulars	As at 31 March 2021	As at 31 March 2020
Receivable considered good-Unsecured	21,631.34	17,321.45
Receivable - credit impaired	96.73	296.71
Less: Allowance for doubtful debts	(96.73)	(296.71)
Net-Trade receivables	21,631.34	17,321.45
Current	21,631.34	17,321.45
Total	21,631.34	17,321.45

* Refer note 38 for related party transactions.

The Holding Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 37.

Trade receivable includes amount due from companies having common directors as follows:

Party Name	As at 31 March 2021	As at 31 March 2020
Lumax Auto Technologies Limited	3,193.46	402.37
Lumax Ancillary Limited	136.45	132.42
Lumax Cornaglia Auto Technologies Private Limited	0.09	4.56
Mahavir Udyog	0.62	0.93
Bharat Enterprises	16.51	0.34
Lumax Tours & Travels Limited	-	0.08
Lumax Jopp Allied Technologies Limited	-	0.05
Lumax Integrated Ventures Private Limited	0.08	-
Lumax Mannoh Allied Technologies Limited	0.08	-
Lumax Mettalics Private Limited	0.08	-
Velomax Mobility Private Limited	0.27	0.08

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Age of receivables

Party Name	As at 31 March 2021	As at 31 March 2020
Within the credit period	18,058.28	11,808.09
Upto 1 year past due	3,581.08	5,622.92
More than 1 year past due	88.71	187.15
Total	21,728.07	17,618.16

10 Cash and bank balances

Particulars	As at 31 March 2021	As at 31 March 2020
A-Cash and cash equivalents		
Cash on hand	14.98	14.48
Bank balances		
in current accounts	268.67	780.52
Cash and cash equivalents in Balance Sheet	283.65	795.00
Cash and cash equivalents in the statement of cash flows	283.65	795.00
B-Bank balances other than above		
Time deposits with others (deposits with maturity of more than 3 months but less than 12 months)	5.00	3,000.00
Margin Money with banks* (deposits with maturity of less than 12 months)	26.35	0.65
Bank balances other than above in Balance Sheet	31.35	3,000.65

* Margin money with banks represents fixed deposits pledged with banks for guarantees issued to government authorities.

11 Derivative - Assets

Particulars	As at 31 March 2021	As at 31 March 2020
Mark to Market gain on cross currency swaps and forward contracts	-	237.34
Total- Derivative Assets	-	237.34
Current	-	237.34
Total	-	237.34

12 Tax assets

Particulars	As at 31 March 2021	As at 31 March 2020
Advance tax (net of provisions ₹ Nil (31 March 2020: ₹ 7,284.66 Lakhs)	2.09	745.04
Duty paid under protest	500.00	-
Total	502.09	745.04

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

13 Other assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-current		
Capital advances	7,175.02	6,294.56
Prepaid expenses	27.46	35.94
B-Current		
Advance to suppliers		
Considered good	1,814.80	950.00
Considered doubtful	25.17	25.17
Less: Provision for doubtful advances	(25.17)	(25.17)
	1,814.80	950.00
Advance to employees	15.48	3.00
Export benefits receivable	60.92	62.20
Balances with government authorities	1,146.81	1,014.69
Prepaid expenses	399.41	387.00
Others	96.82	51.36
Total- Other assets	10,736.72	8,798.75
Other Non-current assets	7,202.48	6,330.50
Other Current assets	3,534.24	2,468.25
Total	10,736.72	8,798.75

14 Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 March 2021	As at 31 March 2020
Raw materials and components {including stock in transit ₹ 1,906.76 Lakhs (31 March 2020: ₹ 946.67 Lakhs)}	12,022.98	9,735.52
Work-in-progress	2,893.63	2,403.58
Finished goods	2,626.87	2,146.64
Stock in Trade	113.28	310.18
Stores and spares (including packing material)	952.08	995.77
Moulds, tools and dies in process {including transit stock: ₹ 82.54 Lakhs (31 March 2020: ₹ 127.25 Lakhs)}	3,625.38	2,326.13
Total	22,234.22	17,917.82

Due to the fact that certain products were slow moving and were sold below net realizable value, the Holding Company made a provision amounting to ₹ 9.83 Lakhs (31 March 2020: ₹ 162.34 Lakhs). The above provision is included in cost of materials consumed or changes in inventories of finished goods and work-in-progress.

15 Equity Share Capital

Particulars	As at 31 March 2021	As at 31 March 2020
Authorised		
1,20,00,000 (31 March 2020: 1,20,00,000) equity shares of ₹ 10 each	1,200.00	1,200.00
Issued, subscribed and fully paid up		
93,47,732 (31 March 2020: 93,47,732) equity shares of ₹ 10 each	934.77	934.77
Total	934.77	934.77

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

15 A Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares:

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	93,47,732	934.77	93,47,732	934.77
Issued during the year	-	-	-	-
At the end of the year	93,47,732	934.77	93,47,732	934.77

15 B Rights, preferences and restrictions attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

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

15 C Details of shareholders holding more than 5% shares in the Holding Company

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% in the class	Number of shares	% in the class
Equity shares of ₹ 10 each fully paid held by-				
Stanley Electric Co. Limited	33,43,381	35.77%	33,43,381	35.77%
Deepak Jain	12,43,516	13.30%	11,72,031	12.54%
Anmol Jain	12,43,516	13.30%	11,72,031	12.54%
Lumax Auto Technologies Limited	5,25,000	5.62%	5,25,000	5.62%
Lumax Finance Private Limited	4,93,367	5.28%	4,93,367	5.28%

As per records of the Holding Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

16 Other equity

A. Summary of other equity

Particulars	As at 31 March 2021	As at 31 March 2020
I. Capital reserve		
At the beginning and at the end of the year	0.65	0.65
II. Securities premium		
At the beginning and at the end of the year	6,796.66	6,796.66
III. General reserve		
Balance at the beginning of the year	9,638.47	9,638.47
Add: Amount transferred from retained earnings	-	-
Balance at the end of the year	9,638.47	9,638.47
IV. Retained earnings		
Balance at the beginning of the year	27,276.25	26,119.15
Add: Profit for the year	1,815.23	7,189.68
Less: Appropriations		
- Dividend paid	(560.86)	(4,907.56)
- Dividends distribution tax	-	(1,008.76)
- Dividend tax on distributed profits of associate	-	(47.47)
Add: Transferred from other comprehensive income	142.12	(68.79)
Balance at the end of the year	28,672.74	27,276.25

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Particulars	As at 31 March 2021	As at 31 March 2020
V. Items of other comprehensive income		
Balance at the beginning of the year	-	-
Add: Remeasurements of defined benefit plans	142.12	(68.79)
Less: Transferred to retained earnings	(142.12)	68.79
Balance at the end of the year	-	-
Total- Other equity	45,108.52	43,712.03

- (a) The Holding Company had transferred forfeited share application money to Capital reserve in accordance with the provision of the Companies Act, 1956. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.
- (b) Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- (c) General Reserves are free reserves of the Holding Company which are kept aside out of Holding Company's profits to meet the future requirements as and when they arise. The Holding Company had transferred a portion of the profit after tax (PAT) to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- (d) Retained earnings are the accumulated profits earned by the Holding Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

B. Dividends

The following dividends were declared and paid by the Holding Company during the years:

Particulars	As at 31 March 2021	As at 31 March 2020
₹ 6.00 per equity share {31 March 2020: ₹ 52.50 (including interim dividend ₹ 17.50)}	560.86	4,907.56
Dividend distribution tax on dividend to shareholders	-	1,008.76
Total	560.86	5,916.32

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval of shareholders at the annual general meeting; the dividends have not been recognised as liabilities. Dividends would attract dividend distribution tax when declared or paid.

The Board proposed dividend on equity shares after the balance sheet date:

Particulars	As at 31 March 2021	As at 31 March 2020
₹ 7.00 per equity share (31 March 2020: ₹ 6.00 per equity share)	654.34	560.86
Total	654.34	560.86

C. Capital Management

The Holding Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

The Holding Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business.

In order to maintain or adjust the capital structure, the Holding Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, consistent with others in the industry. The Holding Company monitors capital using a gearing ratio, which is calculated as:

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Net debt (total liabilities net of cash and cash equivalents) divided by "Total equity" (as shown in the Balance Sheet).

Particulars	As at 31 March 2021	As at 31 March 2020
Total liabilities	90,192.53	83,673.12
Less: cash and cash equivalents	(283.65)	(795.00)
Adjusted net debt	89,908.88	82,878.12
Total equity	46,043.29	44,646.80
Adjusted net debt to equity ratio	1.95	1.86

17 Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
Long term		
Vehicle loan from banks	12.59	89.96
Vehicle loan from others	0.63	8.13
Term loan from others	-	3,000.00
Foreign currency loan	-	2,194.29
Total	13.22	5,292.38
A-Non-current	1.89	2,638.19
B-Current - reclassified to other financial liabilities (refer note 20)	11.33	2,654.19
Short term		
Secured		
Secured loan from bank	2,000.00	1,300.00
Packing credit / buyers credit	-	1,737.09
Cash credit/Working Capital facility from banks	14,008.35	7,440.12
Vendor finance facility from banks	-	3,695.45
Customer finance facility from banks	5,000.00	4,723.82
Unsecured		
Vendor finance facility from banks	9,074.57	7,668.13
Total	30,082.92	26,564.61

Information about the Holding Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 37.

Terms and repayment schedule

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2021	Charges
Secured					
Vehicle Loans from bank	INR	2021 - 2022	7.90% - 8.60%	12.59	Hypothecation of the respective vehicle
Vehicle Loans from others	INR	2021 - 2022	0.05%	0.63	Hypothecation of the respective vehicle
Short Term Loan from bank	INR	2021 - 2022	6.85%	2,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Holding Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	6.95% - 8.70%	1,508.35	Immovable fixed assets of Gurugram Unit & stock & book debts & movable fixed assets of the Holding Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	5.10% to 7.95%	3,500.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Holding Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	6.15% to 10%	2,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Holding Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021 - 2022	6.20% - 7.95%	6,000.00	Immovable fixed assets of Gurugram Unit & stock & book debts & current assets of the Holding Company on Pari-Passu basis

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2021	Charges
Working Capital Facility from others	INR	2021 - 2022	6.90% to 8.60%	1,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Holding Company on Pari-Passu basis
Customer finance facility from banks	INR	2021 - 2022	6.75%-8.70%	5,000.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Holding Company on Pari-Passu basis
Unsecured					
Vendor finance facility from banks	INR	2021 - 2022	6.90% - 8.90%	9,074.57	Nil

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2020	Charges
Secured					
Vehicle Loans from bank	INR	2020 - 2023	7.90% - 8.60%	89.96	Hypothecation of the respective vehicle
Vehicle Loans from others	INR	2020 - 2022	0.05%	8.13	Hypothecation of the respective vehicle
Foreign currency loan	USD	2020 - 2021	LIBOR + 2.00%	2,194.29	Specific Plant & Machinery at Bawal Plant
Term loan from others	INR	2024 - 2025	9.25%	3,000.00	Entire Fixed Assets to be acquired out of the proceed of term loan including Land & Building of Plot No. 12, Sector 5, Bawal
Term loan from bank	INR	2021	9.50%	1,300.00	First Pari-Passu Hypothecation charge on all existing and future current assets of the Holding Company
Packing credit / buyers credit	USD	2021	LIBOR + 0.47%	1,737.09	Immovable property situated at Plot No. 16, Sector 18, Maruti Complex, Gurugram & entire current assets of the Holding Company on Pari-Passu basis
Cash Credit from bank	INR	2021	8.15% - 8.70%	610.12	Land & Building at Plot No. 16, Sector 18, Gurugram & Stock & book debts of the Holding Company on Pari-Passu basis
Working Capital Facility from bank	INR	2021	7.95% - 8.70%	1,000.00	Immovable fixed assets (Land & Building) at Plot No. 16, Sector 18, Gurugram Unit & entire current assets of the Holding Company both present & future on Pari-Passu basis
Working Capital Facility from bank	INR	2021	8.40% - 10.00%	2,000.00	Land and Building at Plot No. 16, Sector 18, Industrial Estate, Gurugram (known as Maruti complex) and entire current assets of the Holding Company both present & future on Pari-Passu basis
Working Capital Facility from bank	INR	2021	8.15% - 8.70%	1,830.00	Land & Building at Plot No. 16, Sector 18, Gurugram & Stock & book debts of the Holding Company on Pari-Passu basis
Working Capital Facility from others	INR	2021	8.60% - 9.35%	2,000.00	Land and Building at Plot No. 16, Sector 18, Industrial Estate, Gurugram and entire current assets of the Holding Company both present & future on Pari-Passu basis
Vendor finance facility from banks	INR	2021	8.25%-9.25%	3,695.45	First Pari-Passu Hypothecation charge on all existing and future current assets of the Holding Company
Customer finance facility from banks	INR	2021	8.70% - 9.15%	4,723.82	First Pari-Passu Hypothecation charge on all existing and future current assets of the Holding Company
Unsecured					
Vendor finance facility from banks	INR	2021	7.90% - 9.50%	7,668.13	Nil

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

18 Lease liability

Particulars	As at 31 March 2021	As at 31 March 2020
A-Non-current	3,617.97	2,796.22
B-Current	98.20	68.18
Total Lease liability	3,716.17	2,864.40

19 Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Trade payables		
- Total outstanding due of micro enterprises and small enterprises (refer note (a) below for details of dues to micro and small enterprises)	1,534.23	671.80
- Total outstanding due of creditors other than micro enterprises and small enterprises	35,909.52	30,845.33
Total	37,443.75	31,517.13

The Holding Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 37.

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

Particulars	As at 31 March 2021	As at 31 March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	1,466.38	628.89
Interest due on above	0.05	3.19
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	24.30	22.53
The amount of interest accrued and remaining unpaid at the end of each accounting year	67.85	42.91
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues 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	-	-

20 Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current portion of secured bank loans	11.33	2,654.19
Capital creditors	1,443.59	2,517.47
Interest accrued on borrowings/cash credit	53.17	151.63
Payable to employees	1,702.87	1,534.15
Unpaid dividend	136.26	137.88
Interest free deposits from customers	6.75	5.75
Book overdraft	20.34	-
Other liabilities*	4,079.10	3,539.24
Total Other financial liabilities	7,453.41	10,540.31
Current	7,453.41	10,540.31
Non-current	-	-
Total	7,453.41	10,540.31

* Other liabilities represent rate difference for price decrease not yet paid to the customers.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

21 Other liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Current		
Advances from customers	3,558.38	2,595.20
Statutory dues	582.40	1,135.65
Total- Other liabilities	4,140.78	3,730.85

22 Provisions

Particulars	Non-current	Current	Non-current	Current
	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2020
A-Provision for employee benefits				
Compensated absences	2,219.49	181.65	2,051.42	161.06
Gratuity (refer note 36)	977.05	373.39	787.21	371.24
Total-A	3,196.54	555.04	2,838.63	532.30
B-Other provisions				
Provision for warranties (Refer (a) below)	-	76.73	-	87.45
Provision for tax (net of advance tax ₹ 3,487.99 Lakhs (31 March 2020: ₹ 1,346.21 Lakhs))	-	241.58	-	66.38
Total-B	-	318.31	-	153.83
Total- Provisions (A+B)	3,196.54	873.35	2,838.63	686.13

(a) Provision for warranties

A provision is recognized for expected warranty claims on products sold in past year, based on past experience of the level of repairs and returns. It is expected that all of these costs will be incurred in the next financial year after the reporting date. Assumptions used to calculate the provision for warranties were based on current sales levels and information available about warranty. The table below gives information about movement in warranty provisions.

	As at 31 March 2021	As at 31 March 2020
At the beginning of the year	87.45	59.67
Arising during the year (net of reversals)	58.18	151.04
Utilized during the year	(68.90)	(123.26)
At the end of the year	76.73	87.45

23 Income tax

A. Amounts recognized in profit or loss

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
<i>for Current period</i>		
Current tax	584.94	1,380.07
Deferred tax	816.06	679.93
<i>for prior periods</i>		
Deferred tax (MAT availment for earlier years)	130.58	(76.58)
Current tax	(40.74)	-
Total	1,490.84	1,983.42

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

B. Income tax recognized in other comprehensive income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Remeasurements of defined benefit plan	142.12	(68.79)
Current tax	(44.23)	32.98
Deferred tax (benefit)	44.23	(32.98)
Net of tax	142.12	(68.79)

C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Rate (%)	Amount	Rate (%)	Amount
Profit before tax		3,306.07		9,173.10
Enacted tax rates in India	34.94%	1,155.27	34.94%	3,205.45
Effect of:				
Remeasurement of deferred tax liabilities*	-	-	-20.29%	(1,861.00)
Tax related to prior periods	2.72%	89.84	-0.83%	(76.58)
Dividend income	-0.12%	(4.03)	-0.01%	(0.70)
Excess deduction of R&D Expenses	-	-	-7.62%	(698.60)
Impact of change of tax on dividend	-	-	14.65%	1,344.17
Additional Deferred tax liability on Goodwill	7.75%	256.20	-	-
Others	-0.20%	(6.45)	0.77%	70.68
Income tax expense	45.09%	1,490.84	21.62%	1,983.42

D. Recognized deferred tax assets and liabilities

Particulars	As at 31 March 2021			As at 31 March 2020		
	Deferred tax assets	Deferred tax liabilities	Net Deferred tax assets / (liabilities)	Deferred tax assets	Deferred tax liabilities	Net Deferred tax assets / (liabilities)
Undistributed profits of associate	-	(2,349.69)	(2,349.69)	-	(2,306.98)	(2,306.98)
Property, plant and equipment and intangible assets (net)	-	(6,372.31)	(6,372.31)	-	(5,589.94)	(5,589.94)
Mark to Market gain on cross currency swaps and forward contracts	-	-	-	-	(82.94)	(82.94)
Investment Property	-	(27.96)	(27.96)	-	(26.17)	(26.17)
Finance Lease liability (Net of ROU)	143.07	-	143.07	115.67	-	115.67
Provision for compensated absences	592.49	-	592.49	542.64	-	542.64
Provision for doubtful debts and advances	42.60	-	42.60	112.48	-	112.48
Provision for bonus	61.24	-	61.24	61.96	-	61.96
Provision for gratuity	442.50	-	442.50	387.33	-	387.33
Carry forward MAT credits	4,182.71	-	4,182.71	4,492.63	-	4,492.63
Others	1.63	-	1.63	0.45	-	0.45
Total	5,466.24	(8,749.96)	(3,283.72)	5,713.16	(8,006.03)	(2,292.87)

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

E. Movement of temporary differences

Particulars	As at 31 March 2019	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2020	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2021
Undistributed profits of associate	(1,288.13)	(1,018.85)	-	(2,306.98)	(1,061.56)	-	(2,349.69)
Property, plant and equipment and intangible assets (net)	(6,396.30)	806.36	-	(5,589.94)	(782.37)	-	(6,372.31)
Mark to Market gain on cross currency swaps and forward contracts	-	(82.94)	-	(82.94)	82.94	-	-
Investment Property	(24.83)	(1.34)	-	(26.17)	(1.79)	-	(27.96)
Finance Lease liability (Net of ROU)	-	115.67	-	115.67	27.40	-	143.07
Provision for compensated absences	624.98	(82.34)	-	542.64	49.85	-	592.49
Provision for doubtful debts and advances	115.70	(3.22)	-	112.48	(69.88)	-	42.60
Provision for bonus	179.73	(117.77)	-	61.96	(0.72)	-	61.24
Provision for gratuity	417.87	(30.54)	-	387.33	55.17	-	442.50
Provision for lease equalization	189.40	(189.40)	-	-	-	-	-
Carry forward MAT credits	4,460.21	-	32.42	4,492.63	-	(309.92)	4,182.71
Others	(1.12)	1.57	-	0.45	1.18	-	1.63
Total	(1,722.49)	(602.80)	32.42	(2,292.87)	(1,699.78)	(309.92)	(3,283.72)

Deferred tax assets and liabilities

On 20 September 2019, the Government of India vide the Taxation laws (Amendment) Ordinance, 2019 inserted section 115BAA in the income tax Act which provides domestic companies an option to pay corporate income tax rate at 22% plus applicable surcharge and cess ("New tax rate") subject to certain conditions therein. In the previous year, the Holding Company made an assessment of the impact of the Ordinance and decided to continue with existing tax structure until utilization of accumulated MAT credit as on 31 March 2020.

Further, INDAS 12 requires deferred tax assets and liabilities to be measured using the enacted (or substantively enacted) tax rates expected to apply to taxable income in the years in which temporary differences are expected to reverse. The Holding Company had made estimates, based on its budgets, regarding income anticipated in foreseeable future years when those temporary differences are expected to reverse and measured the same at the New tax rate. The impact of re-measurement of deferred tax assets/liabilities was recognized in the Statement of Profit and Loss. The tax expense for the quarter and year ended 31 March 2020 included one time net reversal of ₹ 1,861.00 Lakhs on account of re-measurement of deferred tax assets/liabilities.

24 Revenue from operations*

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products		
Finished goods	1,34,041.39	1,44,928.48
Traded goods	1,200.32	629.31
Moulds, tools and dies	5,062.10	13,060.16
Total Sale of products (A)	1,40,303.81	1,58,617.95
Sale of services (B)	1,596.08	1,345.19

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Other operating revenues		
Scrap Sales	190.41	195.58
Others	507.77	-
Total Other operating revenues (C)	698.18	195.58
Total- Revenue from operations (A+B+C)	1,42,598.07	1,60,158.72

* refer note 45

25. Other Income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest income under Effective Interest method		
on bank deposits	33.25	115.00
others	84.72	30.16
Dividend	11.52	2.01
Net gain on sale of property, plant and equipment	250.59	-
Rental income from property subleases	20.41	30.72
Provisions/creditors no longer required written back	5.49	25.22
Net gain on account of foreign exchange transaction	683.17	-
Net change in fair value of investment in equity shares held at FVTPL	10.59	-
Mark to Market gain on derivatives	-	237.34
Incentive from state government	1,294.29	-
Export and other incentive (refer note 42)	94.93	178.04
Miscellaneous income	34.42	116.78
Total	2,523.38	735.27

26 Cost of raw material and components consumed

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Inventory of materials at the beginning of the year	9,735.52	10,235.92
Add: Purchases	88,492.68	87,281.60
Less: Inventory of materials at the end of the year	(12,022.98)	(9,735.52)
Total	86,205.22	87,782.00

26.1 Cost of moulds, tools & dies

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Inventory at the beginning of the year	2,326.13	4,639.14
Add: Purchases	5,677.25	8,352.40
Less: Inventory at the end of the year	(3,625.38)	(2,326.13)
Total	4,378.00	10,665.41

27 Purchase of Traded Goods

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Automotive lamps/components	449.81	442.13
Total	449.81	442.13

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

28 Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer note 14)

Particulars		Year ended 31 March 2021	Year ended 31 March 2020
Opening Inventory	Finished goods	2,146.64	2,671.51
	Work-in-progress	2,403.58	1,318.90
	Stock-in-trade	310.18	371.14
		4,860.40	4,361.55
Closing Inventory	Finished goods	2,626.87	2,146.64
	Work-in-progress	2,893.63	2,403.58
	Stock-in-trade	113.28	310.18
		5,633.78	4,860.40
(Increase)/Decrease in Inventory	Finished goods	(480.23)	524.87
	Work-in-progress	(490.05)	(1,084.68)
	Stock-in-trade	196.90	60.96
		(773.38)	(498.85)

29 Employee benefits expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	17,961.13	18,075.78
Contribution to provident and other funds	950.95	894.71
Compensated absences	352.05	399.58
Gratuity (refer note 36)	320.28	315.05
Staff welfare	1,095.37	1,306.56
Total	20,679.78	20,991.68

30 Finance costs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest expenses on financial liabilities (net of Capitalised ₹ 37.52 Lakhs (31 March 2020 - ₹ Nil))	2,738.79	2,185.20
Interest-others	108.75	6.36
Total	2,847.54	2,191.56

31 Depreciation and amortization expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation of property, plant & equipment	6,039.68	5,995.91
Depreciation on right of use of assets (net of capitalised ₹ 14.42 Lakhs (31 March 2020 - ₹ Nil))	179.30	151.35
Amortization of intangible assets	232.34	207.16
Total	6,451.32	6,354.42

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

32 Other expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Stores and spares	657.85	778.08
Packing material	3,507.88	3,554.93
Power and fuel	4,367.37	5,194.38
Rent (refer note 34)	297.65	306.14
Rates and taxes	52.85	98.23
Insurance	399.40	368.87
Repairs and maintenance	2,572.14	2,930.31
Freight and forwarding	2,590.16	2,284.93
Net loss on sale of property plant and equipment	-	6.75
Bank charges	76.56	58.76
Travelling and conveyance	595.19	1,482.49
Legal and professional	391.25	612.24
Management support fees	2,076.43	2,257.37
Design, support and testing charges	672.05	279.96
Directors' sitting fees	27.00	24.60
Payment to auditors (refer note 32.1 below)	57.53	48.56
Royalty	1,957.74	2,197.59
Warranty	58.18	151.04
Net loss on account of foreign exchange transactions	-	587.99
Bad Debts	33.89	167.49
Advances written off	34.87	18.59
Provision for doubtful debts	34.41	129.38
Selling and promotion	53.05	159.35
Communication	108.38	107.69
Printing & stationery	88.40	129.78
Net change in fair value of investment in equity shares held at FVTPL	-	3.42
Contribution towards Corporate Social Responsibility (refer note 32.2 below)	163.81	163.21
Mark to Market loss on cross currency swaps and forward contracts	237.34	-
Donations#	10.98	211.92
Miscellaneous	608.82	687.25
Total	21,731.18	25,001.30

Above expenses include research and development expenses (refer note 41)

Donations Include ₹ Nil (31 March 2020: ₹ 200.00 Lakhs) under section 182 of the Companies Act, 2013

32.1 Payment to Auditor (excluding applicable taxes)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
As auditor:		
Audit fee	23.25	24.50
Tax audit fee	3.00	3.00
Limited Review	23.25	10.50
In other capacity:		
Certification fees	4.50	5.10
Reimbursement of expenses	3.53	5.46
Total	57.53	48.56

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

32.2 Corporate Social Responsibility (CSR)

As per the provisions of section 135 of the Companies Act, 2013, the Holding Company had to spend at least 2% of the average profits of the preceding three financial years towards CSR which amounts to ₹ 163.81 Lakhs (31 March 2020: ₹ 148.08 Lakhs). Accordingly, a CSR committee had been formed for carrying out the CSR activities as per Schedule VII of the Companies Act, 2013. The Holding Company has spent an amount of ₹ 163.81 Lakhs (including unutilised amount of ₹ 46.54 Lakhs pertaining to ongoing projects) (31 March 2020 ₹ 163.21 Lakhs) and has accordingly charged the same to the Statement of Profit and Loss.

33 Earnings per share (EPS)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for attributable to equity shareholders	1,815.23	7,189.68
Weighted average number of equity shares	93,47,732	93,47,732
Basic and Diluted Earnings per share in ₹ (Nominal value of shares of ₹ 10 (Previous year : ₹ 10))	19.42	76.91

34 Disclosure required by Ind AS 116

A. Particulars	Amount 31 March 2021	Amount 31 March 2020
Right of Use of asset ('ROU')	3,074.04	2,398.00
Transfer of Leasehold land from Property, plant and equipment (net of accumulated depreciation)	-	128.78
Finance lease liability	(3,716.17)	(2,864.40)
Provision for lease equalization adjusted against ROU by applying para C8(c)(ii) of IND AS 116		(542.01)

The amounts recognized in Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on lease liabilities (net of Capitalised ₹ 11.69 Lakhs (31 March 2020 ₹ Nil))	251.48	150.69
Expenses relating to short-term leases	259.05	247.14
Expenses relating to leases of low-value assets	55.00	59.00
Total	565.53	456.83

Further, The total cash outflow relating to lease payments during the year amounts to ₹ 296.34 Lakhs (31 March 2020 ₹ 226.30 Lakhs).

The class-wise details of depreciation charged during the year and carrying amount of ROU assets at the year are as follows:

Particulars	Depreciation for the Year ended 31 March 2021	Net Block of ROU As at 31 March 2021	Depreciation for the Year ended 31 March 2020	Net Block of ROU As at 31 March 2020
Leasehold land (transferred from Property, plant and equipment)	1.66	125.46	1.66	127.12
Leasehold land and building (gross of capitalization ₹ 14.42 Lakhs (31 March 2020 - ₹ Nil))	146.79	2,331.98	132.36	1,586.43
Solar power plant	45.28	616.60	17.33	661.88
Total	193.73	3,074.04	151.35	2,375.43

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

B. Leases as lessor

The Holding Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Holding Company has leased out portions of its buildings under operating lease arrangements. These leases may be renewed for a further period based on mutual agreement of the parties. During the year, an amount of ₹ 20.41 Lakhs (previous year ₹ 30.72 Lakhs) was recognised as rental income in the Statement of Profit and Loss.

35 Segment

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components, and for which discrete financial information is available. The Holding Company is engaged in the business of auto components, mainly automotive lighting systems for four wheeler and two wheeler applications and related activities. The Holding Company's activities/business is regularly reviewed by the Holding Company's Managing Director assisted by an executive committee from an overall business perspective, rather than reviewing its products/services as individual standalone components. Thus, the Holding Company has only one operating segment, and no reportable segments in accordance with Ind AS - 108 Operating Segments.

The entity wide disclosures as required by Ind AS -108 are as follows:

A. Product/Service Description

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Sale of products		
Finished goods	1,34,041.39	1,44,928.48
Traded goods	1,200.32	629.31
Moulds, tools and dies	5,062.10	13,060.16
Sale of services	1,596.08	1,345.19
Other operating revenues		
Scrap sales	190.41	195.58
Others	507.77	-
Total	1,42,598.07	1,60,158.72

B. Revenue from external customer

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
India	1,38,823.33	1,57,510.90
Other countries*	3,774.74	2,647.82
Total	1,42,598.07	1,60,158.72

*Exports to any single country are not material to be disclosed

C. Non current assets**

Particulars	As at 31 March 2021	As at 31 March 2020
India	84,154.33	84,425.66
Other countries#	-	-
Total	84,154.33	84,425.66

** Non-current assets exclude financial assets and deferred tax assets.

D. Major customers

Details of customers which accounts for more than 10% of Holding Company's total revenue are as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Maruti Suzuki India Limited	35,328.64	42,298.03
Honda Motorcycle and Scooter India Private Limited	21,187.04	25,287.82
Suzuki Motor Gujrat Private Limited	13,849.44	16,468.75

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

36 Assets and liabilities relating to employee benefits

A. Information about the Defined contribution plans

The Holding Company's approved Superannuation Scheme, Employee Provident Fund and Employee State Insurance Scheme are defined contribution plans. A sum of ₹ 950.95 Lakhs (previous year ₹ 894.71 Lakhs) has been recognized as an expense in relation to these schemes and shown under Employee benefits expense in the Statement of Profit and Loss.

B. Information about the Defined benefit plan and Funding arrangements

The Holding Company has a defined benefit gratuity plan governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

These defined benefit plan expose the Holding Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk. The plan is funded with an insurance company in the form of a qualifying insurance policy. The Holding Company expects to pay ₹ 373.39 Lakhs in contributions to its defined benefit plans in FY 2021-22.

Reconciliation of the net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components

a) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	3,175.81	2,757.20
Benefits paid	(111.77)	(114.64)
Current service cost	240.76	240.66
Interest cost	214.34	206.54
Actuarial (gains) losses recognised in other comprehensive income		
changes in demographic/financial assumptions	(74.95)	(36.31)
experience adjustments	(54.89)	122.36
Balance at the end of the year	3,389.30	3,175.81

b) Reconciliation of the present value of plan assets

Particulars	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	2,017.36	1,561.37
Contributions paid into the plan	1.76	446.84
Benefits paid	(111.78)	(114.65)
Interest income	134.81	132.15
Actuarial (gains) losses recognised in other comprehensive income	(3.29)	(8.35)
Balance at the end of the year	2,038.86	2,017.36
Net defined benefit liability(asset) at the end of the year	1,350.44	1,158.45

c) Expense recognised in Statement of Profit and Loss

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	240.76	240.66
Interest cost	214.34	206.54
Past service gain	-	-
Interest income	(134.81)	(132.15)
Total	320.29	315.05

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

d) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial (gain) loss on defined benefit obligation	(129.83)	86.03
Return on plan assets excluding interest income	3.29	8.35
Total	(126.54)	94.38

e) Plan assets

Plan assets comprise of the following:

Particulars	As at 31 March 2021	As at 31 March 2020
Investment with Insurer	2,016.05	1,994.45
%age	98.88%	98.86%
Bank	22.81	22.91
%age	1.12%	1.14%

C. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.76%	6.87%
Future salary growth	6.00%	6.50%
Attrition rate	8.00%	8.00%

At 31 March 2021, the weighted-average duration of the defined benefit obligation was 19.90 years (31 March 2020: 20.44 years).

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(185.28)	205.55	(179.82)	199.98
Future salary growth (1% movement)	198.87	(182.97)	192.19	(176.42)
Attrition rate (1% movement)	6.63	(7.52)	2.69	(3.16)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

37 Financial instruments - Fair values and risk management

a) Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Particulars	Note No.	As at 31 March 2021			As at 31 March 2020		
		Cost	FVTPL	Amortised cost	Cost	FVTPL	Amortised cost
Financial assets							
Non-current							
Investments	6	-	160.00	-	-	160.00	-
Loans	7	-	-	718.04	-	-	690.64
Others	8	-	-	141.26	-	-	164.19
Current							
Investments	6	-	21.10	-	-	10.51	-
Trade receivables	9	-	-	21,631.34	-	-	17,321.45
Cash and cash equivalents	10	-	-	283.65	-	-	795.00
Bank balances other than above	10	-	-	31.35	-	-	3,000.65
Loans	7	-	-	87.90	-	-	98.27
Derivatives	11	-	-	-	-	237.34	-
Others	8	-	-	3,238.39	-	-	1,030.14
Total		-	181.10	26,131.93	-	407.85	23,100.34
Financial liabilities							
Non-current							
Borrowings	17	-	-	1.89	-	-	2,638.19
Lease liability	18	-	-	3,617.97	-	-	2,796.22
Current							
Borrowings	17	-	-	30,082.92	-	-	26,564.61
Lease liability	18	-	-	98.20	-	-	68.18
Trade payables	19	-	-	37,443.75	-	-	31,517.13
Other financial liabilities	20	-	-	7,453.41	-	-	10,540.31
Total		-	-	78,698.14	-	-	74,124.64

Disclosure of fair values of financial assets and liabilities

Financial assets and liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31 March 2021			As at 31 March 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non - Current						
Investments	-	-	160.00	-	-	160.00
Current						
Investments	21.10	-	-	10.51	-	-
Derivatives	-	-	-	-	237.34	-

Assets and liabilities which are measured at amortised cost

1. Fair value of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, trade payables, other financial liabilities and borrowings approximate their carrying amount, largely due to the short-term nature of these instruments.
2. Interest rates on long-term borrowings are equivalent to the market rate of interest. Accordingly, the carrying value of such long-term debt approximates fair value.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

b) Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation processes are described in note no. 2(F).

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial instruments measured at fair value			
Investment in Caparo Power Limited	The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast revenue and earnings (after making necessary adjustments).	<ul style="list-style-type: none"> - Forecast annual growth rate - 4% to perpetuity - Cost of equity - 19.03% 	The estimated fair value would increase (decrease) if: <ul style="list-style-type: none"> - the annual growth rate were higher (lower); - the risk-adjusted discount rate were lower (higher).
Mark to Market gain on cross currency swaps and forward contracts	The fair value is determined using quoted rates at the valuation date by the respective bank	Not applicable	Not applicable

(ii) Transfers between level 1 and level 2

There have been no transfers between Level 1 and Level 2 during the year ended 31 March 2021 and 31 March 2020.

(iii) Level 3 fair values

There have been no transfers to and from Level 3 during the year ended 31 March 2021 and 31 March 2020.

c) Financial risk management

The Holding Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings, leases and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk	Recognised financial assets and liabilities not denominated in Indian rupee and future commercial transactions	Cash flow forecasting Sensitivity analysis	Forward Foreign Currency and cross currency swap Contracts

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

(i) Risk management framework

The Holding Company's board of directors has overall responsibility for the establishment and oversight of the Holding Company's risk management framework. The Holding Company's risk management policies are established to identify and analyse the risk faced by the Holding Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Holding Company's risk management is carried out by a central treasury team department under policies approved by the board of directors.

The Holding Company's audit committee oversees how management monitors compliance with Holding Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Holding Company.

(ii) Credit risk

Credit risk is the risk of financial loss to the Holding Company if a customer or counterparty to a financial asset fails to meet its contractual obligations, and arises principally from the Holding Company's receivables from customers, loans and other deposits etc.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables

The Holding Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

Credit risk arising from trade receivables is managed in accordance with the Holding Company's established policy with regard to credit limits, control and approval procedures. The Holding Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, geographical spread, trade channels, past experience of defaults, estimates for future uncertainties etc.

Movement in impairment loss allowance on trade receivables:

Particulars	As at 31 March 2021	As at 31 March 2020
Balance as at the beginning of the year	296.71	305.94
Additions made during the year	34.50	129.38
Utilised during the year	(234.48)	(138.61)
Balance as at the end of the year	96.73	296.71

Loans and other financial assets

- The Holding Company has given security deposits to Government departments and vendors for securing services from them. As these are well established organizations and have strong capacity to meet the obligations, risk of default is negligible or nil.
- The Holding Company provides loans to employees and recovers the same by deduction from the salary of the employees. Loans are given only to those employees who have served a minimum period as per the approved policy of the Holding Company. The expected probability of default is negligible or nil.

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Holding Company generally invests in deposits with international and domestic banks with high repute.

Derivatives

Derivatives are entered into with banks and financial institution counterparties, as per the approved guidelines for entering derivative contracts. The Holding Company considers that its derivatives have low credit risk as these are taken with international and domestic banks with high repute.

(iii) Liquidity risk

Liquidity risk is the risk that the Holding Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Holding Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Holding Company's reputation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Long term cash flow requirement is monitored through long term plans. In the line of long term planning, short term plans are reviewed on quarterly basis and compared with actual position on monthly basis to assess the performance of the Holding Company and liquidity position.

The Holding Company monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. In addition to this, the Holding Company maintains the following line of credit to meet the short term funding requirement:

- Short term loans/cash credit/working capital limit of ₹ 21,000 Lakhs.
- Vendor and customer finance facility limit of ₹ 17,800 Lakhs.
- Credit/bank guarantee limit of ₹ 11,000 Lakhs.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

Non derivative financial liabilities	As at 31 March 2021			As at 31 March 2020		
	Carrying amount	Less than 1 year	More than 1 year	Carrying amount	Less than 1 year	More than 1 year
Borrowings (Secured)						
Vehicle loan from banks	12.59	10.71	1.88	89.96	77.40	12.56
Vehicle loan from others	0.63	0.63	-	8.13	7.50	0.63
Term loan from others	-	-	-	3,000.00	375.00	2,625.00
Foreign currency loan	-	-	-	2,194.29	2,194.29	-
Other borrowings						
Secured						
Term loan from bank	2,000.00	2,000.00	-	1,300.00	1,300.00	-
Packing credit / buyers credit	-	-	-	1,737.09	1,737.09	-
Cash credit/Working Capital facility from banks	14,008.35	14,008.35	-	7,440.12	7,440.12	-
Vendor finance facility from banks	-	-	-	3,695.45	3,695.45	-
Customer finance facility from banks	5,000.00	5,000.00	-	4,723.82	4,723.82	-
Unsecured						
Vendor finance facility from banks	9,074.57	9,074.57	-	7,668.13	7,668.13	-
Lease liability	6,696.63	389.49	6,307.14	5,660.68	296.66	5,364.02
Trade payables	37,443.75	37,443.75	-	31,517.13	31,517.13	-
Other financial liabilities						
Capital creditors	1,443.59	1,443.59	-	2,517.47	2,517.47	-
Interest accrued on borrowings/ cash credit	53.17	53.17	-	151.63	151.63	-
Payable to employees	1,702.87	1,702.87	-	1,534.15	1,534.15	-
Unpaid dividend	136.26	136.26	-	137.88	137.88	-
Interest free deposits from customers	6.75	6.75	-	5.75	5.75	-
Book overdraft	20.34	20.34	-	-	-	-
Other liabilities	4,079.10	4,079.10	-	3,539.24	3,539.24	-
Total	81,678.60	75,369.58	6,309.02	76,920.92	68,918.71	8,002.21

The Holding Company has secured bank loans that contain loan covenants. A future breach of covenant may require the Holding Company to repay the loan earlier than indicated in the above table.

(iv) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Holding Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Holding Company uses derivative to manage market risks. All such transactions are carried out within the guideline as prescribed in the Holding Company's risk management policy.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

Currency risk

The Holding Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated. The functional currency for the Holding Company is INR. The currencies in which these transactions are primarily denominated are US dollars and Euro.

The Holding Company's exposure to foreign currency risk at the end of the reporting period are as follows:

As at 31 March 2021	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognized financial assets / (liabilities)	
	Foreign currency				Foreign currency	INR
EUR	-	-	(0.12)	4.04	3.93	336.61
GBP	-	-	-	6.38	6.38	643.01
JPY	-	-	(101.15)	-	(101.15)	(66.88)
USD	-	-	(71.92)	6.16	(65.77)	(4,808.15)
TWD	0.10	-	-	-	0.10	0.26
CZK	-	-	-	-	-	-
IDR	-	-	(1,482.52)	-	(1,482.52)	(7.44)

As at 31 March 2020	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognized financial assets / (liabilities)	
	Foreign currency				Foreign currency	INR
EUR	-	-	(0.02)	3.46	3.44	285.24
GBP	-	-	-	1.84	1.84	172.11
JPY	-	-	(1,784.17)	-	(1,784.17)	(1,242.36)
USD	-	(51.96)	(71.12)	4.34	(118.74)	(8,984.40)
TWD	1.73	-	-	-	1.73	4.31
CNY	-	-	(0.04)	-	(0.04)	(0.37)
IDR	-	-	(1,482.52)	-	(1,482.52)	(6.89)

EUR: Euro, GBP: Great Britain Pound, JPY: Japanese Yen, USD: US Dollar, TWD: New Taiwan dollar, CNY: Chinese Yuan, CZK: Czech Koruna, IDR: Indonesian Rupiah

Sensitivity analysis

A reasonably possible strengthening (weakening) of USD, JPY and other currencies against INR (₹) at the end of the year, would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

The impact on profit/loss before tax is as below:

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	(48.08)	48.08	(89.84)	89.84
JPY (1% movement)	(0.67)	0.67	(12.42)	12.42
Other currencies	9.72	(9.72)	4.54	(4.54)

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

(v) 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 Holding Company's exposure to the risk of changes in market interest rates relates primarily to the Holding Company's long-term debt obligations with floating interest rates. The Holding Company tries to manage the risk partly by entering into fixed-rate instruments and partly by borrowing at a floating rate:

Exposure to Interest rate risk

The Holding Company has the following exposure in interest bearing borrowings as on reporting date:

Consolidated Balance sheet

Particulars	As at 31 March 2021	As at 31 March 2020
Borrowings		
Term loans (fixed interest)	2,013.22	6,592.38
Packing credit / buyers credit (variable interest)	-	1,737.09
Cash credit/Working capital facility (variable interest)	14,008.35	7,440.12
Vendor finance facility (variable interest)	9,074.57	11,363.58
Customer finance facility (variable interest)	5,000.00	4,723.82
Total	30,096.14	31,856.99

The Holding Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. However, as these are short term in nature, there is no exposure to interest rate risk.

Sensitivity analysis

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
1% increase	(297.43)	(198.43)
1% decrease	297.43	198.43

38 Related Party Disclosure

A. Names of related parties and related party relationship

S.No. Particulars	Name of Related parties
1 Entity/Person having significant influence	Stanley Electric Co. Limited, Japan
	Mr. Dhanesh Kumar Jain (upto 28.06.2019)
2 Key Management Personnel	Mr. Deepak Jain (Chairman & Managing Director)
	Mr. Anmol Jain (Joint Managing Director)
	Mr. Vineet Sahni (CEO & Senior Executive Director)
	Mr. Tadayoshi Aoki (Senior Executive Director)
	Mr. Koji Sawada (Executive Director upto 18.06.2020)
	Mr. Kenjiro Nakazono (Executive Director w.e.f. 18.06.2020)
	Mr. Avinash Parkash Gandhi (Independent Director)
	Mr. Rajeev Kapoor (Independent Director)
	Mr. Munish Chandra Gupta (Independent Director upto 04.12.2020)
	Mr. Rattan Kapur (Independent Director)
	Mrs. Ritika Modi (Independent Director)
	Mr. Dhiraj Dhar Gupta (Independent Director)
	Mr. Vikrampati Singhania (Independent Director w.e.f. 11.02.2021)
3 Relatives of Key Management Personnel	Mr. Dhanesh Kumar Jain (Chairman Emeritus)
	Mr. Vyom Sahni (son of Mr. Vineet Sahni)

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

4	Entity Controlled / significantly influenced by Key Management Personnel and/or their Relatives	Lumax Auto Technologies Limited
		Lumax DK Auto Industries Limited (Merged with Lumax Auto Technologies Limited w.e.f. 09.11.2019)
		Lumax Tours & Travels Limited
		Lumax Finance Private Limited
		Lumax Ancillary Limited
		Lumax Cornaglia Auto Technologies Private Limited
		Lumax Mannoh Allied Technologies Limited
		Lumax Management Services Private Limited
		Lumax Jopp Allied Technologies Private Limited
		Lumax Energy Solutions Private Limited
		Bharat Enterprises
		Mahavir Udyog
		D.K. Jain & Sons (HUF) (upto 18.12.2020)
		Lumax FAE Technologies Private Limited
		Lumax Ituran Telematics Private Limited
		Lumax Mettalics Private Limited (Formerly known as Lumax Gill - Austem Auto Technologies Private Limited)
		Lumax Integrated Ventures Private Limited
		Sipal Engineering Private Limited
		Backcountry Estates Private Limited
		Velomax Mobility Private Limited
5	Entity controlled by Entity having significant influence	Lumax Charitable Foundation
		Thai Stanley Electric Public Co. Limited
		Asian Stanley International Co. Limited
		PT Indonesia Stanley Electric
		Stanley Electric (Asia Pacific) Limited
		Tianjin Stanley Electric Co. Limited
		Vietnam Stanley Electric Co. Limited
		Shenzhen Stanley Electric Co. Limited
		Guangzhou Stanley Electric Co. Limited
		Sirivit-Stanley Co. Limited
		Stanley Electric Do Brasil Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

B. Detail of Related Parties Transactions

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
i)	Sale of Raw Materials and Components (Grouped in Consumption)												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	168.65	63.93	-	-	168.65	63.93
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	11.46	-	-	-	11.46
	Lumax Ancillary Limited	-	-	-	-	-	-	239.49	371.64	-	-	239.49	371.64
	Bharat Enterprises	-	-	-	-	-	-	73.24	34.75	-	-	73.24	34.75
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.10	-	-	-	0.10	-
ii)	Sale of Finished Goods (including Semi-finished Goods)												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	8,601.83	6,880.84	-	-	8,601.83	6,880.84
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	242.09	-	-	-	242.09
	Lumax Ancillary Limited	-	-	-	-	-	-	171.14	217.10	-	-	171.14	217.10
	Stanley Electric Do Brasil Limited	-	-	-	-	-	-	-	-	5.34	8.58	5.34	8.58
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	0.56	1.41	0.56	1.41
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	0.20	-	0.20	-
	Stanley Electric Co. Limited	8.90	-	-	-	-	-	-	-	-	-	8.90	-
iii)	Sale of Fixed Assets												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	282.08	-	-	-	282.08	-
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	0.69	-	-	-	0.69	-
	Lumax Ancillary Limited	-	-	-	-	-	-	-	-	-	-	-	-
	Lumax Ancillary Limited	-	-	-	-	-	-	-	2.63	-	-	-	2.63
iv)	Sale of Services												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	73.05	-	-	-	73.05
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	5.34	-	-	-	5.34
	Lumax Ancillary Limited	-	-	-	-	-	-	-	1.13	-	-	-	1.13
	Bharat Enterprises	-	-	-	-	-	-	-	0.60	-	-	-	0.60
	Mahavir Udyog	-	-	-	-	-	-	-	0.33	-	-	-	0.33
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	-	0.11	-	-	-	0.11
	Lumax Management Services Private Limited	-	-	-	-	-	-	-	2.37	-	-	-	2.37

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	0.25	-	-	0.25
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	37.43	51.24	37.43	51.24	51.24
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	23.20	-	-	23.20
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	23.94	-	-	23.94
	Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	11.15	-	-	11.15
	Stanley Electric Co. Limited	600.39	68.42	-	-	-	-	-	-	600.39	68.42	68.42
v)	Purchase of Raw Materials, Components and Moulds											
	Lumax Auto Technologies Limited	-	-	-	-	-	-	12,333.43	9,803.41	-	-	12,333.43
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	5,825.64	-	-	5,825.64
	Lumax Ancillary Limited	-	-	-	-	-	-	6,703.10	6,652.10	-	-	6,652.10
	Bharat Enterprises	-	-	-	-	-	-	2,287.14	2,484.68	-	-	2,484.68
	Mahavir Udyog	-	-	-	-	-	-	197.23	204.60	-	-	204.60
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	892.95	10.60	10.60	10.60
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	698.38	1,294.94	1,294.94	1,294.94
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	1.41	-	1.41
	Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	3,225.73	2,241.34	2,241.34	2,241.34
	Tianjin Stanley Electric Co Limited	-	-	-	-	-	-	-	1,469.94	749.59	749.59	749.59
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	26.39	31.32	31.32	31.32
	Sirivit-Stanley Co. Limited	-	-	-	-	-	-	-	802.12	1,592.30	1,592.30	1,592.30
	Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	29.48	30.19	30.19	30.19
	Stanley Electric Co. Limited	5,466.53	6,086.60	-	-	-	-	-	-	5,466.53	6,086.60	6,086.60
vii)	Purchase of Packing Material											
	Mahavir Udyog	-	-	-	-	-	-	2,135.06	2,236.77	-	-	2,135.06
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	2.95	-	-	2.95
viii)	Purchase of Stores & Spares											
	Lumax Energy Solutions Private Limited	-	-	-	-	-	-	-	0.05	-	-	0.05
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.24	-	-	-	0.24
	Lumax Ancillary Limited	-	-	-	-	-	-	0.75	0.18	-	-	0.75
	Mahavir Udyog	-	-	-	-	-	-	0.16	-	-	-	0.16
	Stanley Electric Co. Limited	-	1.46	-	-	-	-	-	-	-	-	1.46

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
viii)	Purchase of Fixed Assets												
	Lumax Auto Technologies Limited #	-	-	-	-	-	-	2,659.77	-	-	-	-	2,659.77
	Lumax Management Services Private Limited	-	-	-	-	-	-	73.02	76.34	-	-	73.02	76.34
	Lumax Tours & Travels Limited	-	-	-	-	-	-	6.15	-	-	-	-	6.15
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	0.70	-	-	0.70
	Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	178.04	-	178.04	-
	Stanley Electric Co. Limited	117.18	-	-	-	-	-	-	-	-	-	117.18	-
	# Refer note no. 47												
ix)	Purchase of Traded Goods												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.17	34.74	-	-	0.17	34.74
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	78.60	29.63	78.60	29.63
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	392.53	343.50	392.53	343.50
x)	Technical Charges												
	Design & Drawing Charges												
	Stanley Electric Co. Limited	474.81	1,315.32	-	-	-	-	-	-	-	-	474.81	1,315.32
	Tianjin Stanley Electric Co Limited	-	-	-	-	-	-	-	-	78.53	75.67	78.53	75.67
	Testing Charges												
	Stanley Electric Co. Limited	70.63	210.08	-	-	-	-	-	-	-	-	70.63	210.08
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	1.93	-	1.93	-
	Lumax Auto Technologies Limited	-	-	-	-	-	-	3.70	3.44	-	-	3.70	3.44
	Management Support Fee												
	Stanley Electric Co. Limited	991.29	1,045.59	-	-	-	-	-	-	-	-	991.29	1,045.59
	Lumax Management Services Private Limited	-	-	-	-	-	-	1,291.60	1,488.53	-	-	1,291.60	1,488.53
xi)	Rent Income												
	Lumax Management Services Private Limited	-	-	-	-	-	-	5.52	5.03	-	-	5.52	5.03
	Sipal Engineering Private Limited	-	-	-	-	-	-	0.18	0.16	-	-	0.18	0.16
	Lumax Finance Private Limited	-	-	-	-	-	-	0.18	0.16	-	-	0.18	0.16
	Lumax Metallics Private Limited (Formerly known as Lumax Gill - Austem Auto Technologies Private Limited)	-	-	-	-	-	-	0.18	0.16	-	-	0.18	0.16
	Lumax Integrated Ventures P Limited	-	-	-	-	-	-	0.18	0.16	-	-	0.18	0.16

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20		
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.06	0.05	-	-	0.06	0.05
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	0.05	-	-	-	0.05
	Lumax Ancillary Limited	-	-	-	-	-	-	0.18	0.16	-	-	0.18	0.16
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.25	0.05	-	-	0.25	0.05
	Lumax Energy Solutions Private Limited	-	-	-	-	-	-	-	0.07	-	-	-	0.07
	Lumax Tours & Travels Limited	-	-	-	-	-	-	0.18	0.16	-	-	0.18	0.16
	Lumax Jopp Allied Technologies Limited	-	-	-	-	-	-	0.05	0.05	-	-	0.05	0.05
	Backcountry Estates Private Limited	-	-	-	-	-	-	-	0.16	-	-	-	0.16
	Velomax Mobility Private Limited	-	-	-	-	-	-	0.18	0.16	-	-	0.18	0.16
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	17.28	29.47	-	-	17.28	29.47
xiii)	Rent Expense												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	273.51	100.30	-	-	273.51	100.30
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	121.75	-	-	-	121.75
xiii)	Payment to Chairman Emeritus												
	Mr. Dhanesh Kumar Jain	-	7.50	-	-	15.00	22.50	-	-	-	-	15.00	30.00
xiv)	Managerial Remuneration (short term employee benefits)*												
	Mr. Deepak Jain#	-	-	76.04	135.37	-	-	-	-	-	-	76.04	135.37
	Mr. Anmol Jain	-	-	26.83	55.57	-	-	-	-	-	-	26.83	55.57
	Mr. Tadayoshi Aoki	-	-	16.34	17.60	-	-	-	-	-	-	16.34	17.60
	Mr. Koji Sawada	-	-	3.30	16.49	-	-	-	-	-	-	3.30	16.49
	Mr. Kenjiro Nakazono	-	-	13.96	-	-	-	-	-	-	-	13.96	-
	Mr. Vineet Sahni#	-	-	211.67	289.08	-	-	-	-	-	-	211.67	289.08
	*Does not include provision for gratuity and compensated absences, since the same is accrued on the basis of actuarial valuation carried out for the Company as a whole.												
xv)	Commission to Director												
	Mr. Deepak Jain#	-	-	164.13	243.00	-	-	-	-	-	-	164.13	243.00
	Mr. Vineet Sahni#	-	-	34.37	86.96	-	-	-	-	-	-	34.37	86.96
	#The managerial remuneration paid/payable has exceeded the prescribed limits under Section 197 read with Schedule V to the Companies Act, 2013. The Holding Company has obtained necessary approvals as required under the relevant provisions of the Holding Companies Act, 2013.												

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	Total
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
xvi)	Royalty (gross)												
	Stanley Electric Co. Limited	1,859.43	2,182.76	-	-	-	-	-	-	-	-	1,859.43	2,182.76
xvii)	Dividend Paid												
	Mr. Deepak Jain	-	-	70.32	615.32	-	-	-	-	-	-	70.32	615.32
	Mr. Anmol Jain	-	-	70.32	615.32	-	-	-	-	-	-	70.32	615.32
	D.K. Jain & Sons (HUF)	-	-	-	-	-	-	8.58	75.06	-	-	8.58	75.06
	Lumax Auto Technologies Limited	-	-	-	-	-	-	31.50	275.63	-	-	31.50	275.63
	Lumax Finance Private Limited	-	-	-	-	-	-	29.60	259.02	-	-	29.60	259.02
	Stanley Electric Co. Limited	200.60	1,755.28	-	-	-	-	-	-	-	-	200.60	1,755.28
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	9.72	85.06	9.72	85.06
xviii)	Travelling & Conveyance												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	0.99	-	-	-	0.99
	Lumax Ancillary Limited	-	-	-	-	-	-	-	0.04	-	-	-	0.04
	Lumax Tours & Travels Limited	-	-	-	-	-	-	59.30	437.81	-	-	59.30	437.81
	Stanley Electric Co. Limited	7.79	93.88	-	-	-	-	-	-	-	-	7.79	93.88
xix)	Freight Inward												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.03	-	-	-	0.03	-
xx)	Insurance Charges												
	Lumax Management Services Private Limited	-	-	-	-	-	-	27.58	-	-	-	27.58	-
xxi)	Legal & Professional Charges												
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	0.34	-	-	-	0.34
	Lumax Management Services Private Limited	-	-	-	-	-	-	10.37	29.51	-	-	10.37	29.51
xxii)	Miscellaneous Expenses												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	34.88	32.35	-	-	34.88	32.35
	Lumax Ancillary Limited	-	-	-	-	-	-	0.25	-	-	-	0.25	-
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	0.02	-	0.02	-
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	0.02	-	0.02	-
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	0.01	-	-	-	0.01
xxiii)	Packing & Forwarding												
	Lumax Ancillary Limited	-	-	-	-	-	-	-	0.16	-	-	-	0.16
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.28	-	-	-	0.28	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
xxiv)	Salaries, wages and bonus												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	20.26	48.96	-	-	20.26	48.96
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	34.64	-	-	-	34.64
	Lumax Ancillary Limited	-	-	-	-	-	-	2.62	0.63	-	-	2.62	0.63
	Stanley Electric Co. Limited	89.15	43.57	-	-	-	-	-	-	-	-	89.15	43.57
	Mr. Vyom Sahni	-	-	-	-	4.21	2.78	-	-	-	-	4.21	2.78
xxv)	Printing & Stationery Expenses												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.51	1.70	-	-	0.51	1.70
xxvi)	Reimbursement Received												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	(139.34)	(40.49)	-	-	(139.34)	(40.49)
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	(0.86)	-	-	-	(0.86)
	Lumax Management Services Private Limited	-	-	-	-	-	-	(14.25)	(14.64)	-	-	(14.25)	(14.64)
	Lumax Ancillary Limited	-	-	-	-	-	-	(16.53)	(4.54)	-	-	(16.53)	(4.54)
	Bharat Enterprises	-	-	-	-	-	-	(3.98)	(3.33)	-	-	(3.98)	(3.33)
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	-	(17.31)	-	-	-	(17.31)
	Mahavir Udyog	-	-	-	-	-	-	(0.78)	(1.84)	-	-	(0.78)	(1.84)
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	(0.81)	-	-	-	(0.81)
	Lumax FAE Technologies Private Limited	-	-	-	-	-	-	-	(0.02)	-	-	-	(0.02)
	Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	-	(0.05)	-	-	-	(0.05)
	Lumax Metallics Private Limited (Formerly known as Lumax Gill - Austem Auto Technologies Private Limited)	-	-	-	-	-	-	-	(0.31)	-	-	-	(0.31)
	Sipal Engineering Private Limited	-	-	-	-	-	-	-	(0.12)	-	-	-	(0.12)
	Stanley Electric Co. Limited	(225.53)	(225.17)	-	-	-	-	-	-	-	-	(225.53)	(225.17)
xxvii)	Repair to Plant & Machinery												
	Lumax DK Auto Industries Limited	-	-	-	-	-	-	-	0.42	-	-	-	0.42
xxviii)	Repairs & Maintenance-Others												
	Lumax Management Services Private Limited	-	-	-	-	-	-	106.37	186.95	-	-	106.37	186.95
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	0.05	-	-	-	0.05
	Stanley Electric Co. Limited	11.56	4.51	-	-	-	-	-	-	-	-	11.56	4.51

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
xxix)	Sales promotion												
	Lumax Tours & Travels Limited	-	-	-	-	-	-	3.94	7.69	-	-	3.94	7.69
	Lumax Management Services Private Limited	-	-	-	-	-	-	-	28.88	-	-	-	28.88
xxx)	Welfare (Staff And Labour)												
	Lumax Dk Auto Industries Limited	-	-	-	-	-	-	-	3.78	-	-	-	3.78
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.51	2.48	-	-	0.51	2.48
	Lumax Tours & Travels Limited	-	-	-	-	-	-	(1.68)	13.12	-	-	(1.68)	13.12
	Lumax Management Services Private Limited	-	-	-	-	-	-	1.68	1.68	-	-	1.68	1.68
	Stanley Electric Co. Limited	3.36	46.68	-	-	-	-	-	-	-	-	3.36	46.68
xxxi)	Liabilities no longer required written back												
	Stanley Electric Co. Limited	2.10	2.15	-	-	-	-	-	-	-	-	2.10	2.15
xxxii)	Bad debts												
	Guangzhou Stanley Electric Co.Limited	-	-	-	-	-	-	-	-	2.84	-	2.84	-
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	0.11	-	-	-	0.11
xxxiii)	Job Work Charges												
	Lumax Ancillary Limited	-	-	-	-	-	-	6.34	0.68	-	-	6.34	0.68
xxxiv)	Miscellaneous Income												
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	0.01	-	-	-	0.01
	Sirvit-Stanley Co. Limited	-	-	-	-	-	-	-	-	0.02	-	-	0.02
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	0.97	-	-	0.97
xxxv)	Donations												
	Lumax Charitable Foundation	-	-	-	-	-	-	10.98	11.29	-	-	10.98	11.29
xxxvi)	Corporate Social Responsibility Contribution (CSR)												
	Lumax Charitable Foundation	-	-	-	-	-	-	142.76	163.21	-	-	142.76	163.21
xxxvii)	Sitting Fee												
	Mr. Avinash Parkash Gandhi	-	-	5.20	5.40	-	-	-	-	-	-	5.20	5.40
	Mr. Rajeev Kapoor	-	-	4.00	3.80	-	-	-	-	-	-	4.00	3.80
	Mr. Munish Chandra Gupta	-	-	2.60	4.60	-	-	-	-	-	-	2.60	4.60
	Mr. Rattan Kapur	-	-	4.80	4.60	-	-	-	-	-	-	4.80	4.60
	Ms. Ritika Modi	-	-	2.40	2.40	-	-	-	-	-	-	2.40	2.40
	Mr. Vikrampati Singhania	-	-	1.20	-	-	-	-	-	-	-	1.20	-
	Mr. Dhiraj Dhar Gupta	-	-	6.80	3.80	-	-	-	-	-	-	6.80	3.80

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

C. Details of Closing Balances of Related Parties

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	Total
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020		
i)	Trade Receivables												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	3,193.46	402.37	-	-	3,193.46	402.37
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	0.09	4.56	-	-	0.09	4.56
	Lumax Ancillary Limited	-	-	-	-	-	-	136.45	132.42	-	-	136.45	132.42
	Bharat Enterprises	-	-	-	-	-	-	16.51	0.34	-	-	16.51	0.34
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	0.08	-	-	-	0.08
	Lumax Integrated Ventures Private Limited	-	-	-	-	-	-	0.08	-	-	-	0.08	-
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.08	-	-	-	0.08	-
	Lumax Jopp Allied Technologies Limited	-	-	-	-	-	-	-	0.05	-	-	-	0.05
	Lumax Metallics Private Limited (Formerly Lumax Gill - Austem Auto Technologies Private Limited)	-	-	-	-	-	-	0.08	-	-	-	0.08	-
	Mahavir Udyog	-	-	-	-	-	-	0.62	0.93	-	-	0.62	0.93
	Stanley Electric Co. Limited	7.08	-	-	-	-	-	-	-	-	-	7.08	-
	Stanley Electric Do Brasil Limited	-	-	-	-	-	-	-	-	1.05	0.16	1.05	0.16
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	7.83	43.94	7.83	43.94
	Velomax Mobility Private Limited	-	-	-	-	-	-	0.27	0.08	-	-	0.27	0.08
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	1.48	-	1.48
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	2.84	-	2.84
ii)	Advance received from Customers												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	11.69	-	-	-	11.69
	Lumax Ancillary Limited	-	-	-	-	-	-	-	1.55	-	-	-	1.55
	Bharat Enterprises	-	-	-	-	-	-	0.59	0.56	-	-	0.59	0.56
iii)	Other Recoverable												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	66.45	-	-	-	66.45	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	Total
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
iv)	Trade Payables												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	5,676.99	4,381.35	-	-	5,676.99	4,381.35
	Lumax Tours & Travels Limited	-	-	-	-	-	-	7.89	13.67	-	-	7.89	13.67
	Lumax Ancillary Limited	-	-	-	-	-	-	1,739.65	2,188.36	-	-	1,739.65	2,188.36
	Bharat Enterprises	-	-	-	-	-	-	432.19	691.59	-	-	432.19	691.59
	Mahavir Udyog	-	-	-	-	-	-	401.35	552.25	-	-	401.35	552.25
	Lumax Management Services Private Limited	-	-	-	-	-	-	298.34	194.54	-	-	298.34	194.54
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	599.65	4.04	599.65	4.04
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	127.97	50.24	127.97	50.24
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	130.22	-	130.22	-
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	7.44	8.46	7.44	8.46
	Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	916.31	846.03	916.31	846.03
	Sirvit-Stanley Co. Limited	-	-	-	-	-	-	-	-	39.94	266.81	39.94	266.81
	Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	2.92	-	2.92	-
	Tianjin Stanley Electric Co Limited	-	-	-	-	-	-	-	-	694.08	345.88	694.08	345.88
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	11.55	2.08	11.55	2.08
	Stanley Electric Co. Limited	2,966.93	3,573.43	-	-	-	-	-	-	-	-	2,966.93	3,573.43
	Capital Payables												
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	-	0.74	-	0.74
v)	Capital Advance												
	Lumax Ancillary Limited	-	-	-	-	-	-	4,957.42	4,669.80	-	-	4,957.42	4,669.80
vi)	Advance paid to Vendors												
	Lumax Tours & Travels Limited	-	-	-	-	-	-	3.45	10.60	-	-	3.45	10.60
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	0.32	-	0.32
	Stanley Electric Co. Limited	-	47.54	-	-	-	-	-	-	-	-	-	47.54

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. No.	Account Head	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	Total
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020		
vii)	Recoverable from Vendors												
	Lumax Ancillary Limited	-	-	-	-	-	-	531.01	2.77	-	-	531.01	2.77
	Lumax Auto Technologies Limited	-	-	-	-	-	-	2.11	11.67	-	-	2.11	11.67
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	-	0.38	-	-	-	0.38
	Lumax FAE Technologies Private Limited	-	-	-	-	-	-	-	0.02	-	-	-	0.02
	Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	-	0.05	-	-	-	0.05
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	0.10	-	-	-	0.10
	Lumax Metallics Private Limited (Formerly Lumax Gill – Austem Auto Technologies Private Limited)	-	-	-	-	-	-	-	0.31	-	-	-	0.31
	Sipal Engineering Private Limited	-	-	-	-	-	-	-	0.12	-	-	-	0.12
	Bharat Enterprises	-	-	-	-	-	-	47.66	-	-	-	47.66	-
	Mahavir Udyog	-	-	-	-	-	-	0.04	-	-	-	0.04	-
	Stanley Electric Co. Limited	42.57	-	-	-	-	-	-	-	-	-	42.57	-
viii)	Security Deposit for Rent												
	Mr. Dhanesh Kumar Jain	-	-	-	-	3.45	2.76	-	-	-	-	3.45	2.76
ix)	Loan to Employee												
	Mr. Vineet Sahni												
	Loan given	-	-	-	150.00	-	-	-	-	-	-	-	150.00
	Repayment	-	-	(30.00)	(15.00)	-	-	-	-	-	-	(30.00)	(15.00)
	Closing Balance	-	-	105.00	135.00	-	-	-	-	-	-	105.00	135.00
x)	Key Management Payables												
	Mr. Deepak Jain	-	-	168.33	243.00	-	-	-	-	-	-	168.33	243.00
	Mr. Anmol Jain	-	-	2.59	-	-	-	-	-	-	-	2.59	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

S. Account Head No.	Entity / Person having significant influence		Key Management Personnel		Relatives of Key Management Personnel		Entity Controlled / significantly influenced by Key Management Personnel and / or their Relatives		Entity controlled by Entity having significant influence		Total	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Mr. Vineet Sahni	-	-	21.63	86.96	-	-	-	-	-	-	21.63	86.96
Mr. Tadayoshi Aoki	-	-	0.24	3.86	-	-	-	-	-	-	0.24	3.86
Mr. Koji Sawada	-	-	-	10.55	-	-	-	-	-	-	-	10.55
Mr. Kenjiro Nakazono	-	-	0.24	-	-	-	-	-	-	-	0.24	-
Mr. Avinash Parkash Gandhi	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Mr. Rajeev Kapoor	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Mr. Munish Chandra Gupta	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Mr. Rattan Kapur	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Mrs. Ritika Modi	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Mr. Dhiraj Dhar Gupta	-	-	-	0.36	-	-	-	-	-	-	-	0.36
Mr. Dhanesh Kumar Jain	-	-	-	-	1.99	-	-	-	-	-	1.99	-

Note:

The Holding Company has established a comprehensive system on maintenance of information and documents required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Holding Company is in the process of updating the documentation for transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The Management is of the opinion that its transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements particularly on the amount of income tax expense and that of provision of taxation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

39 Capital and other commitments

Particulars	As at 31 March 2021	As at 31 March 2020
Estimated amount of Contract (Net of Advances paid during the year ₹ 5,468.06 Lakhs {31 March 2020: ₹ 5,660.05 Lakhs} remaining to be executed on capital account and not provided for)	4,511.74	2,608.71

40 Contingent liabilities

S. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Income tax cases (including ₹ 371.81 Lakhs (31 March 2020: ₹ 371.81 Lakhs) of associate)*	3,455.51	3,541.25
(ii)	Excise, customs and Service tax (including ₹ 36.76 Lakhs (31 March 2020: ₹ 36.76 Lakhs) of associate)*	1,286.55	1,284.55
(iii)	Sales tax and VAT*	105.13	65.17
(iv)	Export obligation#	4,519.61	4,755.40

* The respective management of the Holding Company and the associate is of the firm belief that above demands are not tenable and are unlikely to be retained and is therefore not carrying any provision in its books in respect of such demands.

Additionally, the Holding Company is involved in other disputes, lawsuits, claims, governmental and/ or regulatory inspections, inquiries, investigations and proceedings, including commercial matters that arise from time to time in the ordinary course of business. The Holding Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

#Outstanding export obligations are to be fulfilled over a period of 6 years from the date of respective licenses under the EPCG scheme against import of plant and machinery and the related customs duty of ₹ 753.27 Lakhs (31 March 2020: ₹ 792.57 Lakhs).

During the current year, the Directorate of Revenue Intelligence ('DRI') conducted an inquiry at the Headoffice and Gurugram plant of the Holding Company. Basis its inquiry, DRI contended that the design fee paid to Stanley for the past 5 years, in respect of moulds imported by the Holding Company is chargeable to custom duty and GST and demanded ₹ 500.00 Lakhs which was duly deposited under protest by the Company on 1 February 2021. As at 31 March 2021, the Holding Company is awaiting the show cause notice from the authorities and based on its assessment, it believes any demand as per abovementioned contentions shall not be tenable.

In February 2019, the Supreme Court of India in its judgement, clarified the applicability of allowances that should be considered to measure the contribution payable under Employees Provident Fund Act, 1952. The Holding Company is of the view that, since there are many interpretative challenges on the retrospective application of the judgement, accordingly, the probable obligation relating to the earlier periods cannot be reliably estimated. Hence, the Holding Company made provision for provident fund contribution from the date of Supreme Court Order.

41 Details of Research and development expenses are as follows:

A. The Holding Company has incurred expenses on its research and development centre at Gurugram (Haryana) approved and recognised by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Capital expenditure	299.93	12.76

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

b. Revenue expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	1,407.83	1,335.50
Contribution to provident fund	73.82	67.19
Contribution to other funds	4.76	5.03
Staff welfare	30.74	134.73
Gratuity	35.69	50.36
Insurance	6.89	6.56
Repair & maintenance	218.03	312.06
Travelling & conveyance	179.43	378.79
Legal & professional expenses	11.03	1.31
Research & development	44.77	4.10
Power & fuel	24.26	37.31
Miscellaneous	33.15	35.88
Design, support & testing charges	61.25	49.53
Material/Consumable/Spares	2.15	14.81
Depreciation	140.09	163.98
Finance cost	2.16	3.58
Total	2,276.05	2,600.72

B. The Holding Company has incurred expenses on its research and development centre at Pune (Maharashtra) approved and recognised by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Capital expenditure	26.51	153.72

b. Revenue expenditure

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	903.85	975.87
Contribution to provident fund	48.54	47.64
Contribution to other funds	-	0.05
Staff welfare	42.02	129.75
Gratuity	37.75	18.70
Insurance	3.67	4.27
Repair & maintenance	133.33	91.36
Travelling & conveyance	50.37	184.56
Legal & professional expenses	57.19	59.13
Power & fuel	43.51	92.73
Miscellaneous	31.14	64.56
Design, support & testing charges	23.55	15.80
Material/Consumable/Spares	0.29	0.01
Depreciation	135.37	146.95
Finance cost	1.19	1.23
Total	1,511.77	1,832.61

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

42 Government grant

The Holding Company is availing export incentives under duty drawback rules and Merchandise Exports from India Scheme (MEIS)/Service Exports from India Scheme (SEIS) of Central government. These incentives are availed in case of export of specified goods and services. During the year, the Company has recognised income of ₹ 94.93 Lakhs (previous year ₹ 178.04 Lakhs) under the above schemes.

Further, the Holding Company also received ₹ 1,294.29 Lakhs (previous year ₹ Nil) as budgetary support from Government of India under GST regime.

- 43 The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2021.

44 Investments accounted using the equity method

The Holding Company's equity interest in its associate i.e. SL Lumax Limited. SL Lumax Limited is primarily engaged in manufacturing and supply of auto components from its manufacturing plant located at Irungattukottai, Sriperumbudur, Tamil Nadu, India. SL Lumax Limited is an unlisted Company and is accounted in the Consolidated financial statements using equity method.

The following table summarises the financial information of SL Lumax Limited as included in its own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in SL Lumax Limited.

Particulars	As at 31 March 2021	As at 31 March 2020
Carrying value of Investment*	9,033.81	8,864.14

a) Information relating to Assets and Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Percentage ownership interest	21.28%	21.28%
Current assets	60,815.60	41,243.80
Non-current assets	25,096.64	26,391.69
Current liabilities	40,896.16	22,809.11
Non-current liabilities	2,681.16	3,288.65
Net Assets	42,334.92	41,537.73
Holding Company's share of Net Assets (21.28%)	9,008.91	8,839.24

*Carrying value of investment includes ₹ 24.90 Lakhs on account of Goodwill generated at the time of acquisition.

b) Information relating to Statement of Profit and Loss

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Revenue	1,47,730.58	1,40,173.44
Profit	723.98	5,679.35
Other comprehensive income	73.21	120.22
Total comprehensive income	797.19	5,799.57
Holding Company's share of profit (21.28%)	154.09	1,208.76
Holding Company's share of OCI (21.28%)	15.58	25.6
Holding Company's share of total comprehensive income (21.28%)	169.67	1,234.34

c) Dividend received from SL Lumax Limited	-	230.92
--	---	--------

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

45 Disclosure required by Ind AS 115

- The aggregate amount of transaction price allocated to the unsatisfied performance obligations as at 31 March 2021 amounts to ₹ 116.57 Lakhs (31 March 2020: ₹ 6.40 Lakhs). This will be recognized as revenue when the moulds will be sold to the customer, which is expected to occur post 31 March 2022*.
* The above amount does not include the value of performance obligations that have an original expected duration of one year or less, as required by Ind AS 115.
- Revenue from contracts with customers is disaggregated by major products and service lines and is disclosed in Note no. 24 to the consolidated financial statements. Further, the revenue is disclosed in the said note is gross of ₹ 616.94 Lakhs (31 March 2020: ₹ 459.38 Lakhs) representing cash discount to customers.
- The following table provides further information as required by Ind AS 115:

Particulars	As at / Year ended 31 March 2021	As at / Year ended 31 March 2020
Receivables included in 'Trade receivables'	21,631.34	17,321.45
Revenue recognized in the current year included in the contract liability balance at the beginning of the year.	2,048.14	5,629.91
Unbilled revenue (Contract Assets)	1,161.64	849.48
Advances from customers (Contract Liabilities)	3,558.38	2,595.20

- The spread of COVID 19 has affected the business operations during the current year. The Holding Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities for certain period during the year. The Holding Company has carried out a comprehensive assessment of possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position, based on the internal and external sources of information and application of reasonable estimates. The Holding Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial statements. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Holding Company and take necessary measures to address the situation.

- On 1 April 2019, the Holding Company purchased certain assets from Lumax Auto Technologies Limited (refer note 38) at a consideration of ₹ 2,245.41 Lakhs, pursuant to which, the Holding Company has setup in-house Electronic facility at Manesar on 11 April 2019 for manufacture of Printed Circuit Boards ('PCB'). The said acquisition was primarily done to optimize cost by indigenization of Printed Circuit Board ('PCB') and expand the customer base.

The abovementioned purchase of assets has been accounted as Business Combination in accordance with Ind AS 103. The consideration for above transaction was transferred through Bank. Further, the Holding Company incurred acquisition-related costs of ₹ 9.00 Lakhs on legal fees and due diligence costs. These costs have been included in legal and professional fees under other expenses.

The fair values of assets (i.e. Property, plant and equipment and other intangible assets) acquired amounts to ₹ 1,267.83 Lakhs. Further, Goodwill arising from the acquisition amounts to ₹ 977.58 Lakhs which is attributable to synergies expected to be achieved from integrating PCB into the Holding Company's existing business. The Goodwill is not deductible for income tax purposes vide Finance Act 2021.

Notes to the Consolidated Financial Statements for the year ended 31 March 2021 (Contd.)

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

48 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act 2013:

Year ended 31 March 2021

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Holding Company								
Lumax Industries Limited	86.25%	39,713.91	93.86%	1,703.85	89.04%	126.54	93.51%	1,830.39
Associate*								
SL Lumax Limited	19.57%	9,008.91	8.49%	154.09	10.96%	15.58	8.67%	169.67
Adjustment arising out of consolidation	-5.82%	(2,679.53)	-2.35%	(42.71)	-	-	-2.18%	(42.71)
Total	100.00%	46,043.29	100.00%	1,815.23	100.00%	142.12	100.00%	1,957.35

*Accounted using Equity method

Year ended 31 March 2020

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Holding Company								
Lumax Industries Limited	86.11%	38,444.38	100.57%	7,230.69	137.20%	(94.38)	100.22%	7,136.31
Associate*								
SL Lumax Limited	19.80%	8,839.24	16.81%	1,208.76	-37.20%	25.6	17.33%	1,234.34
Adjustment arising out of consolidation	-5.91%	(2,636.82)	-17.38%	(1,249.77)	-	-	-17.55%	(1,249.76)
Total	100.00%	44,646.80	100.00%	7,189.68	100.00%	(68.79)	100.00%	7,120.89

*Accounted using Equity method

As per our report of even date attached

For B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024

Manish Kapoor

Partner

Membership No. 510688

Place: Gurugram

Date: 11 June 2021

ICAI UDIN: 21510688AAAABD9544

Deepak Jain

Chairman & Managing Director

DIN: 00004972

Place: New Delhi

Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial Officer

Place: New Delhi

Date: 11 June 2021

Vineet Sahni

CEO & Senior Executive Director

DIN: 03616096

Place: Gurugram

Date: 11 June 2021

Pankaj Mahendru

Company Secretary

Membership No. - A 28161

Place: New Delhi

Date: 11 June 2021

For and on behalf of the Board of Directors of Lumax Industries Limited

Form AOC-1

[Statement pursuant to Section 129 (3) of the Act related to Associate Company]

PART "B" Associates

Name of Associates Company	SL Lumax Limited
1. Latest Audited Balance Sheet Date	31 March 2021
2. Shares of Associate Company held by the Company on the year end	
a. No.	32,98,986
b. Amount of Investment in Associate Company	354.74 Lakhs
c. Extent of Holding in %	21.28%
3. Description of how there is significant influence	Due to percentage of Share Capital
4. Reason why the Associate company is not consolidated	N.A.
5. Net worth attributable to shareholding as per latest audited Balanced Sheet	9,008.91 Lakhs
6. Profit/(Loss) for the year	
a. Considered in Consolidation (including other Comprehensive Income of ₹ 15.58 Lakhs)	169.67 Lakhs
b. Not Considered in Consolidation	N.A.

For and on behalf of the Board of Directors of Lumax Industries Limited

Deepak Jain

Chairman & Managing Director
DIN: 00004972
Place: New Delhi
Date: 11 June 2021

Vineet Sahni

CEO & Senior Executive Director
DIN: 03616096
Place: Gurugram
Date: 11 June 2021

Shruti Kant Rustagi

Chief Financial Officer

Place: New Delhi
Date: 11 June 2021

Pankaj Mahendru

Company Secretary
Membership No. - A 28161
Place: New Delhi
Date: 11 June 2021

NOTICE

Notice is hereby given that the Fortieth (40th) Annual General Meeting ("AGM") of the Members of Lumax Industries Limited ("Company") will be held as per below mentioned schedule:

Day : Tuesday
Date : 31 August 2021
Time : 10:30 a.m. (IST)

via two-way Video Conferencing ("VC") or other audio-visual means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March, 2021, the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 March, 2021 and the Report of Auditors thereon.
2. To declare a dividend of ₹ 7 per equity share as recommended by the Board of Directors for the Financial Year ended 31 March, 2021.
3. To appoint a Director in place of Mr. Tadayoshi Aoki (DIN: 08053387), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), or re-enactment thereof, for the time being in force), the consent of members of the Company be and is hereby accorded to the ratification of the remuneration of ₹ 1,75,000/- (Rupees One Lakh Seventy Five Thousand Only) excluding taxes and reimbursement of out-of-pocket expenses at actuals payable to M/s Jitender Navneet & Co., Cost Accountants (Firm Registration No. 000119), appointed as the Cost Auditors by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the FY 2021-22.

Resolved further that the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving

effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution".

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"Resolved that Mr. Vikrampati Singhania (DIN: 00040659), who was appointed as an Additional Director and holds office upto the date of this Annual General Meeting of the Company, and is eligible for appointment and in respect of whom the Company has received a Notice in writing from a member under the provision of Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as a Director.

Resolved further that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, and on the recommendation of Nomination and Remuneration Committee, Mr. Vikrampati Singhania (DIN: 00040659) be and is hereby appointed as a Non Executive Independent Director of the Company to hold office for Five (5) consecutive years with effect from 11 February, 2021 and the period of office of Mr. Vikrampati Singhania shall not be liable to be determined by retirement by rotation.

Resolved further that the Board of Directors of the Company be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution".

By Order of the Board
 For **Lumax Industries Limited**

Pankaj Mahendru
 Company Secretary
 M. No. A 28161

Place: New Delhi
Date: 11 June 2021

Registered Office:

2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi- 110046
 Website: <https://www.lumaxworld.in/lumaxindustries>
 Email id: lumaxshare@lumaxmail.com
 CIN: L74899DL1981PLC012804

Notes for AGM Notice:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated 8 April 2020 and 13 April 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated 5 May 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated 13 January 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Company has appointed National Securities Depository Limited (NSDL), to provide Video Conferencing facility/ Other Audio Visual Means (VC/OAVM) for conducting the AGM.
3. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC / OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR**

APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
5. Institutional Investors, who are Members of the Company, are encouraged to attend the AGM through VC/OAVM mode and vote electronically. Corporate Members intending **to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to** KFin Technologies Private Limited, Registrar and Share Transfer Agent of the Company, by e-mail at einward_ris@kfintech.com with a copy marked to the Company at lumaxshare@lumaxmail.com.
6. The attendance of the Members (members logins) attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").
7. An Explanatory Statement pursuant to Section 102 (1) of the Act, in respect of Special business to be transacted at the AGM is furnished hereunder. The relevant details of the Directors seeking appointment/re-appointment at the AGM as required by Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (Listing Regulations) and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India is annexed as **Annexure - I**.
8. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by NSDL.

Notes for AGM Notice: (Contd.)

Only those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

9. In line with the MCA Circulars and SEBI Circulars the Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/RTA/Depositories. Further, the Notice of the AGM has been uploaded on the website of the Company at www.lumaxworld.in/lumaxindustries.

The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

10. The Notice of AGM and Annual Report will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of beneficiaries received from the Depositories/RTA as on **Friday, 30 July 2021**.
11. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 24 August 2021 to Tuesday, 31 August 2021** (both days inclusive) for annual closing and determining the entitlement of shareholders to the Final Dividend for the FY 2020-21, as may be approved by the members at the AGM.
12. **Dividend Entitlement:** Dividend on Equity Shares, as recommended by the Board of Directors, if approved at the AGM, will be payable to those Members whose names appear in the Register of Members of the Company, in the case of beneficial owners as at the close of **Monday, 23 August 2021 (the cut-off Date)** as per the beneficial ownership data to be furnished by NSDL/CDSL/RTA for the purpose and in respect of shares held in physical form after giving effect to all valid shares transfers/transmission(s), which are lodged with the Company / RTA before the cut-off date.

The Board of Directors had recommended a dividend of ₹ 7 per equity share of the face value of ₹ 10 each (@70%), payable to those Shareholders whose names appear in the Register of Members as on the Cut-off Date (subject to the approval of the same by the Shareholders in the AGM).

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1 April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates as per Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company by sending documents through e-mail by **Monday, 16 August 2021**.

The note for '**Communication on Tax Deduction on Dividend**' is annexed with this notice.

Dividend amount for Members holding shares in Electronic Form and to those Members holding in Physical Form, who have given their Bank details, will be credited to their respective Bank Account through Electronic Clearing Service (ECS), wherever such facilities are available, soon after the declaration of the Dividend in the AGM, subject to deduction of income-tax at source ('TDS'). For others, Dividend Demand Drafts (DD's) will be posted at the earliest depending upon the resumption of the Postal Services. In order to avoid any fraudulent encashment, such Members are requested to furnish their Bank Account Number and Bank's name so as to incorporate the same in the Dividend DD, immediately, if not submitted earlier. If there is any change in the Bank Account of Demat Members, they are requested to intimate the same to their respective Depository Participants for their further action.

Further, in order to receive dividend(s) in a timely manner, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate, by sending the below mentioned documents to the RTA of Company viz Kind Attn: Mr. Rajeev Kumar, Kfin Technologies Private Limited (formerly Karvy Fintech Private Limited), Unit: Lumax Industries Limited, Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032

- a. a signed request letter mentioning name, folio number, complete address and following details relating to bank account in which the dividend is to be received:
 - i) Name and Branch of Bank and Bank Account type;

Notes for AGM Notice: (Contd.)

- ii) Bank Account Number allotted by your bank after implementation of Core Banking Solutions;
- iii) 11 digit IFSC Code;
- b. self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;
- c. self-attested scanned copy of the PAN Card; and
- d. self-attested scanned copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

In the event the Company is unable to pay the dividend to any Member directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/ Bankers' cheque/ demand draft to such Member, at the earliest possible.

13. **Transfer of Unclaimed/Unpaid dividend amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act (Section 205A of the erstwhile Companies Act, 1956) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time), the amount of dividend which remains unclaimed or unpaid for a period of 7 (Seven) years from the date of transfer of the amount to Unpaid dividend account, shall be transferred to the Investor Education & Protection Fund set up by Government of India.

Accordingly, the amount lying in the Unpaid Dividend Account for the FY 2012-13 has been transferred to the IEPF on 25 September 2020. The unpaid dividend amount for the FY 2013-14 is due for transfer to the IEPF by 20 September 2021. Members who have not yet encashed their dividend for the year 2013-14 and onwards are therefore, requested in their own interest to make their claims to the Company immediately for outstanding dividends.

The Members are also requested to note that all shares on which dividend remains unclaimed for seven consecutive years or more shall be transferred to the IEPF account in compliance with Section 124 of the Act and the applicable IEPF Rules. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline as mentioned above.

In case valid claim is not received by that date, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. Members are requested to contact with the Registrar and Share Transfer Agent of the Company, M/s Kfin Technologies Private Limited (KFintech) for aforesaid purpose.

The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application in Form no. IEPF-5 to the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

14. Members are requested to support Green Initiative by choosing to receive the Company's communication through e-mail and are requested to update their email addresses with their depository participants / KFintech.

15. **Change of Address:** The Members holding shares in physical mode are requested to intimate to the Registrar and Share Transfer Agent i.e. M/s Kfin Technologies Private Limited (KFintech) immediately, if there is any change in their registered address. Members holding shares in Demat Mode should inform the change of address to their respective Depository Participants.

16. The Securities and Exchange Board of India vide gazette notification dated 8 June 2018 and its press release on 3 December 2018 amended Regulation 40 of the Listing Regulations and has mandated that the transfer of securities would be carried out in dematerialized form only w.e.f., 1 April 2019. Further SEBI vide its press release dated 27 March 2019 clarified that the transfer deeds lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of 1 April 2019. Further, with Circular SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7 September 2020 cut-off date for re-lodgement of transfer deeds has been fixed as 31 March 2021.

In view of above, the Members holding shares in physical form are requested to consider the same and convert their holding into dematerialized form to eliminate all risk associated with the physical shares. Members can contact the Company or RTA for any further assistance in this regard.

17. As per the provisions of Section 89 read with Section 90 of the Act the combined effect of both the Sections is that every person who is holding a beneficial interest in the shares of the Company shall submit his/her declaration to the Company in the prescribed form and thereafter the Company shall intimate to the Registrar in the prescribed form along with such declaration.

Notes for AGM Notice: (Contd.)

Every member(s) of the Company is requested to provide the declaration(s) regarding their beneficial interest, if any in the shares of the Company under the aforesaid provisions of the Act. The shareholders are further advised to refer Companies (Significant Beneficial Owners) Amendment Rules, 2019 before making declaration in respect of Beneficial Owner and Significant Beneficial Owner.

18. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/KFintech. Members are requested to refer to the important instructions given in **Annexure – II** of this Notice.

Electronic copy of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be available for inspection in the Investor Section of the website of the Company at www.lumaxworld.in/lumaxindustries.

During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>.

20. Members, who would like to ask questions during the AGM with regard to the financial statements or any other matter to be placed at the AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number and mobile number, to reach the Company's email address lumaxshare@lumaxmail.com atleast 7 days in advance before the start of the AGM i.e. **by Tuesday, 24 August 2021 by 5:00 P.M. IST**. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the AGM, depending upon the availability of time. Only those Members who have pre-registered themselves

as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

21. **Voting through electronic means:** In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the Listing Regulations read with SEBI Circular dated 9/12/20, the Company is providing remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to Members holding shares as on **Monday, 23 August 2021**, being the Cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of Members, entitled to participate in the remote e-voting process, through the e-voting platform provided by National Securities Depository Limited (NSDL) i.e. <https://www.evoting.nsdl.com/> or to vote at the AGM.
22. The **e-voting period** shall be from **Saturday, 28 August 2021 (09:00 A.M.) to Monday, 30 August 2021 (05:00 P.M.)** During this period Members holding shares either in physical or dematerialized form, as on cut-off date i.e. **Monday, 23 August 2021** may cast votes electronically. A person, whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, shall be entitled to avail the facility of remote e-voting.

The remote e-voting module will be disabled by NSDL for voting thereafter. A shareholder shall not be allowed to vote again on any resolution on which vote has already been cast.
23. During the AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote(s) through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, who have cast their votes, the e-Voting will be closed with the formal announcement of closure of the AGM.
24. The recorded transcript of the AGM shall also be made available on the website of the Company www.lumaxworld.in/lumaxindustries in the Investor Section, as soon as possible after the Meeting is over.

Notes for AGM Notice: (Contd.)

25. The Board has appointed Mr. Maneesh Gupta, Practicing Company Secretary, New Delhi as the scrutinizer to scrutinise the e-voting during the AGM and remote e-voting process in a fair and transparent manner.

26. The Scrutinizer shall, after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unlock the votes cast through remote e-voting, and shall submit a consolidated Scrutinizer's report, of the total votes cast in favour or against, invalid votes, if any, to the Chairman of the Company or any authorized person who shall countersign the same, within 48 hours of the conclusion of the meeting.

The Scrutinizer shall submit his report to the Chairman/ Authorised Person who shall declare the result of the voting. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.lumaxworld.in/lumaxindustries and National Securities Depository Limited (NSDL) i.e. <https://www.evoting.nsdl.com/> and shall also be communicated to the Stock Exchanges.

27. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting i.e. 31 August 2021.

28. Notice of this AGM, Audited Financial Statements for FY 2020-21 together with Directors' Report and Auditors' Report are also available on the website of the Company www.lumaxworld.in/lumaxindustries. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

29. Instructions for attending the AGM through VC/OAVM and remote e-voting are given below:

A. Instructions for Members attending the AGM through VC/OAVM are as under:

- Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members

can also use the OTP based login for logging into the e-Voting system of NSDL.

- Members are encouraged to join the Meeting through Laptops for better experience.
- Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

B. The instructions for remote e-voting and Joining Annual General Meeting are as under:

The remote e-voting period shall be from Saturday, 28 August 2021 (09:00 A.M.) to Monday, 30 August 2021 (05:00 P.M.), The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, 23 August 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, 23 August 2021.

How to vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Notes for AGM Notice: (Contd.)

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Notes for AGM Notice: (Contd.)

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at aforementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

Notes for AGM Notice: (Contd.)

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password? (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to guptamaneeshcs@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to lumaxshare@lumaxmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to lumaxshare@lumaxmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholders/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

Notes for AGM Notice: (Contd.)

4. In terms of SEBI circular dated 9 December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE ANNUAL GENERAL MEETING ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the

day of the AGM shall be the same person mentioned for Remote e-voting.

- Mr. Amit Vishal, Senior Manager, NSDL at the designated email ID: evoting@nsdl.co.in or AmitV@nsdl.co.in or at telephone number :+91-22-24994360.
- Ms. Pallavi Mhatre, Manager, NSDL at the designated email ID: evoting@nsdl.co.in, pallavid@nsdl.co.in or at telephone number +91 22 2499 4545.

By Order of the Board
For **Lumax Industries Limited**

Pankaj Mahendru
Company Secretary
M. No. A 28161

Place: New Delhi
Date: 11 June 2021

Registered Office:
2nd Floor, Harbans Bhawan-II, Commercial Complex,
Nangal Raya, New Delhi- 110046
Website: <https://www.lumaxworld.in/lumaxindustries>
Email id: lumaxshare@lumaxmail.com
CIN: L74899DL1981PLC012804

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS (PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013)

Item No. 4

The Board on the recommendation of the Audit Committee, in its Meeting held on 11 June 2021 have approved the appointment of M/s Jitender Navneet & Co., Cost Accountants (Firm Regn. No. 000119) as the Cost Auditor of the Company for audit of cost accounting records of the Company for the FY 2021-22 and fixed their fee at ₹ 1,75,000/- excluding taxes and reimbursement of out of pocket expenses at actuals, if any, in connection with the audit.

M/s. Jitender Navneet & Co., Cost Accountants (Firm Regn. No.000119) have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959.

In accordance with the provisions of Section 148 of the Act and the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by the Members is sought to the remuneration payable to the Cost Auditors for conducting the

audit of the cost records of the Company for the Financial Year ending 31 March 2022.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out at Item No.4 of the Notice.

The Board recommends the resolution set forth in Item No. 4 for approval of the Members as an Ordinary Resolution.

Item No. 5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors had appointed Mr. Vikrampati Singhania (DIN: 00040659) as an Additional Director of the Company in the category of Non Executive Independent Director, not liable to retire by rotation, for a term of five (5) years i.e. from 11 February 2021 to 10 February 2026, subject to approval of the Members. Pursuant to the provisions of Section 161(1) of the Act and Article 120 of the Articles of Association of the Company, Mr. Vikrampati Singhania shall

hold office up to the date of this AGM and is eligible to be appointed as Director.

The Company has received declarations from Mr. Vikrampati Singhania to the effect that he meets the criteria of independence as provided in Section 149(6) read with Schedule IV of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, Mr. Vikrampati Singhania fulfils the conditions specified in the Act, Rules and Listing Regulations for appointment as Independent Director and he is independent of the management of the Company. Mr. Vikrampati Singhania is not debarred from holding the office of Director pursuant to any SEBI Order. The terms and conditions of his appointment shall be open for inspection by the Members at the registered office of the Company during the normal business hours on any working day and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Brief profile: Mr. Singhania is a fourth-generation industrialist belonging to one of the largest industrial groups in India – J.K. Organization. JK Organization is an over 125 years old business house with leadership across multiple sectors. The Group is present in 100 countries apart from all India presence with annual sales revenue of over USD 4.15 Billion. The Group manufactures and markets a wide range of products from Paper, Automobile Tyres, Cement, Auto Components, Textiles, Agri Products, etc.

Mr. Singhania did his Master's Degree in Commerce from Kanpur University and his MBA from Fuqua School of Business, Duke University, USA.

He has Association with Professional Bodies:

- Member of Fuqua Indian Advisory Board of Duke University, USA
- Member of Managing Committee, The Associated Chambers of Commerce & Industry of India (ASSOCHAM).
- Member of Executive Committee of Automotive Component Manufacturers Association of India (ACMA).

The requirements as stipulated under Regulation 36(3) of Listing Regulations and Secretarial Standards-2 are mentioned in the Annexure 1 to this explanatory statement.

Except Mr. Vikrampati Singhania, None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution as set out at Item No. 5 of the Notice.

Your Directors recommend the resolution set forth in Item No.5 for approval of the Members as a Special Resolution.

By Order of the Board
For **Lumax Industries Limited**

Pankaj Mahendru
Company Secretary
M. No. A 28161

Place: New Delhi
Date: 11 June 2021

Registered Office:

2nd Floor, Harbans Bhawan-II, Commercial Complex,
Nangal Raya, New Delhi– 110046

Website: <https://www.lumaxworld.in/lumaxindustries>

Email id: lumaxshare@lumaxmail.com

CIN: L74899DL1981PLC012804

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AND FIXATION OF REMUNERATION IS FURNISHED BELOW:

Names of Directors/DIN	Date of Birth/ Details of Shareholding	Qualifications/Nature of Expertise	Relationship with Directors Inter-se	Name of Listed Companies in which Directorship held other than Lumax Industries Limited	Chairmanship/ Membership in Committees of Other Public Companies
Mr. Tadayoshi Aoki DIN: 08053387	July 27, 1966	He has done Mechanical Engineering from Tokyo Denki, University, Japan. He is having rich experience of more than 30 Years in the field of Car Electronics, Engineering, Sales of car electronic parts and Sales Planning Division.	Related to Mr. Toru Tanabe and Mr. Kenjiro Nakazono as Nominee Directors of Stanley Electric Co., Limited	Not Applicable	-
Mr. Vikrampati Singhania DIN: 00040659	October 08, 1965	Mr. Singhania is a fourth-generation industrialist belonging to one of the largest industrial groups in India – J.K. Organization. He is currently Managing Director of JK Fenner (India) & JK Agri Genetics having an experience of over 27 years in industry. Mr. Singhania did his Master's Degree in Commerce from Kanpur University and his MBA from Fuqua School of Business, Duke University, USA. He has Association with Professional Bodies: <ul style="list-style-type: none"> • Member of Fuqua Indian Advisory Board of Duke University, USA • Member of Managing Committee, The Associated Chambers of Commerce & Industry of India (ASSOCHAM). • Member of Executive Committee of Automotive Component Manufacturers Association of India (ACMA). 	Not Related with any Director/ Manager/KMP of the company	1	1

Notes:

- Both the Directors do not hold any Equity Share(s) in the Company.
- The Directorships and Chairmanships/Memberships of Section 8 Companies is not included in above table
- For other details such as the number of meetings of the Board attended during the year, remuneration drawn in respect of above Directors, please refer to the Corporate Governance Report which is a part of this Annual Report.

IMPORTANT AND URGENT

ANNEXURE II

INFORMATION FOR THE SHAREHOLDERS

Mandatory Updation of PAN and Bank Account details (Only for Physical Shareholding)

Securities and Exchange Board of India ("SEBI") vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20 April 2018, has mandated Listed Entities to seek the subject details from the Shareholders holding shares in physical form with an objective to streamline the processes relating to maintenance of records, transfer of securities and seamless payment of dividend/interest/redemption amounts to the Shareholders.

Therefore, we request your good self to provide the following details for our records, which shall be linked to your respective folios:

1. Enclosed Format duly filled and signed by all the Shareholders.
2. Self-attested copy of PAN Card of all the Shareholders.
3. Original Cancelled Cheque leaf with Name (if the name is not printed, self-attested copy of Passbook duly attested by the Bank first page).
4. Self-attested copy of Address Proof of the Shareholder.

If the Shareholder is a resident of Sikkim, the Shareholder is required to submit a valid Identity proof issued by Government.

Mandatory Dematerialization of Shares

Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8 June 2018 read with BSE Circular No. LIST/COMP/15/2018-19 dated 5 July 2018 issued to all Listed Companies, SEBI has directed for Dematerialization of Shares held in physical form. In order to Dematerialize your share, please open a Demat Account with any of Depository Participants (DP) and submit your physical share certificate to DP along with necessary documents in this regard.

Updation of Email ID

To support "Green Initiative" and to further strengthen the communication and for providing the documents through electronic mode, the Shareholders are requested to get their Email Id's registered with the Company.

Registration of Mobile No. and Merging of Multiple Folios

Shareholders are requested to register their Mobile No. for direct and speedy communication and those Shareholders who are having Multiple Folios are requested to get the same merged in One Folio which will help in ease of communication.

FORMAT FOR FURNISHING PAN AND BANK DETAILS

To

Kfin Technologies Private Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032

Dear Sir/Ma'am,

Unit: LUMAX INDUSTRIES LIMITED

I/ We furnish below our folio details along with PAN and Bank mandate details for updation and confirmation of doing the needful. I/we are enclosing the self-attested copies of PAN cards of all the holders, original Cancelled Cheque leaf, Bank Passbook and Address Proof viz., Aadhaar Card as required for updation of the details:

Folio No.	
Address of the 1 st named Shareholder as per the share certificate	
Mobile No.	
Email ID	

Bank Account Details (for electronic credit of unpaid dividends and all future dividends):

Name of the Bank									
Name of the Branch									
Account Number (as appearing in your cheque book)									
Account Type (Saving/ Current/ Cash Credit)	Saving			Current			Cash Credit		
9 Digit MICR Number (as appearing on the cheque issued by the bank)									
11 Digit IFSC Code									

	PAN No.	Name	Signature
First Holder :			
Joint Holder 1 :			
Joint Holder 2 :			

Place:

Date:

Note: The above details will not be updated if the supporting documents are not attached and not duly signed by all the Shareholders.

(Refer Note 12 of the Notice of 40th AGM)

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that Dividend paid or distributed by a company after April 1, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

- Members having valid Permanent Account Number ("PAN"): 10% or as notified by the Government of India if he is not a specified person to be checked by Company based on Valid PAN provided by the member.
- Members not having PAN / valid PAN: 20% or as notified by the Government of India
- Further the Finance Act, 2021 inserted section 206AB in the Income-tax Act 1961 (hereinafter referred to as "the Act") which takes effect from 1st day of July, 2021.
- This section mandate tax deduction at higher rate in case of certain non-filers (specified persons) with respect to tax deductions twice the prescribed rate or 5%, whichever is higher. Specified person means a person who satisfies both the following conditions:-
 - (i) He has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately before the previous year in which tax is required to be deducted ie AY 2019-20 and AY 2020-21. Two previous years to be counted are required to be those, whose return filing date under sub-section (1) of section 139 has expired.
 - (ii) Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in each of these two previous years.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during financial year 2021-22 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA"), read with Multilateral Instrument ("MLI") between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962
- Copy of Tax Residency Certificate (TRC) for financial year 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F to be dated after the date of TRC
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

Disclaimer:

This document contains statements about expected future events and financials of Lumax Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



LUMAX INDUSTRIES LIMITED

www.lumaxworld.in/lumaxindustries