

BSE Limited Listing & Compliance Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	The National Stock Exchange of India Limited Listing & Compliance Department Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051
Security Code: 517206	Symbol: LUMAXIND

Subject: Submission of Annual Report of the Company for the Financial Year 2021-22 along with the Notice of 41ST Annual General Meeting (“AGM”)

Dear Sir/Ma’am,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, please find enclosed herewith the Annual Report for the Financial Year 2021-22 along with the Notice of the 41st Annual General Meeting (“AGM”) of the Company scheduled to be held on Friday, the 22nd day of July, 2022 at 11:00 A.M. (IST) through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”).

The said Notice along with the Annual Report for the financial year 2021-22 has been sent electronically to the members whose e-mail addresses are registered with the Registrar and Share Transfer Agent (“RTA”) of the Company i.e., Kfin Technologies Limited (Formerly Known as Kfin Technologies Private Limited)/ the Company and the Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited.

The Notice convening the AGM along with the Annual Report has also been uploaded on the Company’s website at www.lumaxworld.in/lumaxindustries.

You are requested to kindly take the same in your records.

Thanking you,

Yours faithfully,
For **LUMAX INDUSTRIES LIMITED**


PANKAJ MAHENDRU
COMPANY SECRETARY
M. NO. A-28161



Encl: As Stated above

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**CAPABLE.
CREDIBLE.
CONFIDENT.**



CAPABLE.
CREDIBLE.
CONFIDENT.

Capability backed by
a strong foundation

Credibility backed
by the right
collaborations

Confidence backed
by a bright future

AS YOU SCROLL DOWN

1

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The word 'Lumax' stands for Luminosity Maxima, which means maximum light. As a Company, Lumax Industries Limited (LIL) is growing with passion, and the Company's main focus has been customer-centricity and providing premium quality lighting solutions to the Company's customers.

As one of the Indian automotive lighting component leaders, facilitating the highest levels of customer satisfaction through the Company's offerings is among its top priorities. To ensure the same, LIL implemented capacity expansion and widened the Company's landscape by venturing into the endless opportunities present in the industry. The Company undertook appropriate measures that helped it to attain organizational goals. Thereby, testifying how '**Capable**' LIL is in leveraging the Company's expertise and experience in the right way and the right direction.

The Company's robust R&D since establishment has been at the forefront, by continuously monitoring the current trends in the market and aligning the Company's R&D

based innovations. The Company's past work speaks of the innovative products and technologies that serve the OEMs in India. The Company continues to cater to the Automotive Lighting market with latest design and engineering. This makes LIL '**Credible**' in serving the Company's stakeholders' way forward.

Underpinned by seven decades long journey, LIL has gained the trust of its customers and automotive lighting components fraternity. The Company's 38-year-long strong relationship with Stanley Electric Co., Japan has led the business to a better path of growth. Together, these factors indicate how '**Confident**' LIL is for the future.

The Company's business was affected by the environmental hiccups but the business performed reasonably well. LIL remains optimistic about the future and ready to cater to the rising demand in the automotive lighting space. Additionally, the Company also took care of its employees and society at large.

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Investor Information

Market Capitalisation as
at March 31, 2022 ₹ **829 Crore**
CIN **L74899DL1981PLC012804**
BSE Code **517206**
NSE Symbol **LUMAXIND**
Dividend Recommended **135%**
AGM Date **July 22, 2022**

For more investor-related
information, please visit:

[https://www.lumaxworld.in/
lumaxindustries/index.html](https://www.lumaxworld.in/lumaxindustries/index.html)



LUMAX-DK JAIN GROUP

Since the Group's inception in 1945, Lumax-DK Jain Group has been one of the pioneers and leading manufacturers and suppliers of automotive lighting, gear shifters and other automotive components in India.

In seven decades of the Group's journey, it has established a strong legacy. The Group has prioritised meaningful relationships with customers through its rich beliefs and ethos, continual innovations, effective technology, and well-maintained operating units. The Group has gained eminence and market leadership in the automotive component space in India, comprising two listed entities, Lumax Industries Limited (LIL) and Lumax Auto Technologies Limited (LATL).

The Group enjoys nearly four-decades-long association with the Japan based Stanley Electric Co. Limited. Lumax-DK Jain Group has also successfully established joint ventures with other globally renowned companies from Germany, Italy, Israel, Japan, Korea and Spain.

The Group is focused on long-term growth and sustainability for all of its stakeholders. Through its Customer-First approach, the Group aspires to offer value with trust while consistently moving ahead with its quest for growth.

Our Group Purpose

We deliver **Pride** and **Progress** with **Positivity**

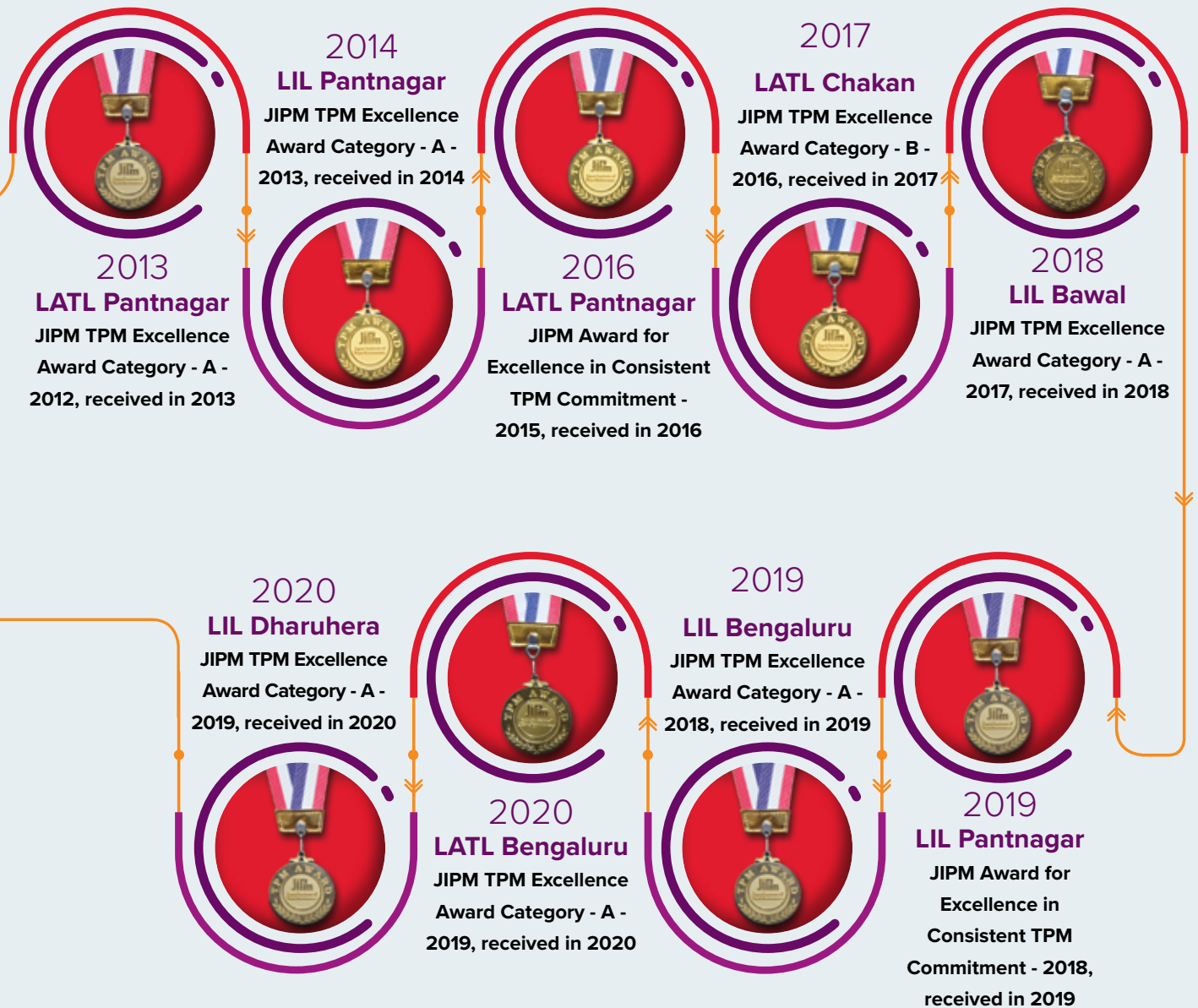
Our Vision

Building an **Admired High-Performance Global Organization** in whom all stakeholders have **Absolute Trust**

Our Values



TPM MILESTONES ACHIEVED OVER THE YEARS



LUMAX INDUSTRIES LIMITED

Among India's Premier
Automotive Lighting
Solution Manufacturer

*'LIL' or 'Lumax Industries' or
'Lumax' or 'The Company' or
'We' is one of the country's
leading automotive lighting
solution manufacturer,
offering safety and trust
to customers through the
Company's solutions for over
75 years. Since the Company's
incorporation, we have
evolved as a leading end-
to-end automotive lighting
solutions and other electronic
components provider.*





Lumax Industries caters to a variety of customer needs through end-to-end automotive lighting solutions for four-wheelers, two-wheelers applications, commercial vehicles, and tractors/Farm Equipment Segment (FES). The Company is strengthened by almost 40 years-old strong association with Stanley Electric Co. Limited, Japan (a world leader in vehicle lighting and illumination products). Thereby, extending world-class products and solutions to India.



*Before exceptional items

#Includes long term borrowings only

Capa



able.



The Company's work is the best presentation of its capability, it is what builds trust.

Ever since the Company's inception, Lumax Industries has served its customers with utmost importance to their needs. Over the years, backed by consistent performance, quality and attention to detail, the Company has gained the trust of customers and stakeholders. As a result, Lumax Industries is a preferred supplier to the majority and leading OEMs in the market today.

This trust testifies the Company's capability of delivering the best-in-class products keeping the customers' and the market's current and future needs in mind.

THE COMPANY'S CAPABILITY REFLECTED IN ITS ELITE CLIENTELE

Lumax Industries places customer satisfaction as a top-priority and strives to build trust through a Customer-First approach. Over the years, the Company has grown in several dimensions, placing customers at the center of every decision and strategy. Today, the Company's elite clientele proves how it has built a solid and long-term relationship with the customers.

Four-wheelers



Two-wheelers



Commercial Vehicle



Tractors/Farm Equipment Segment

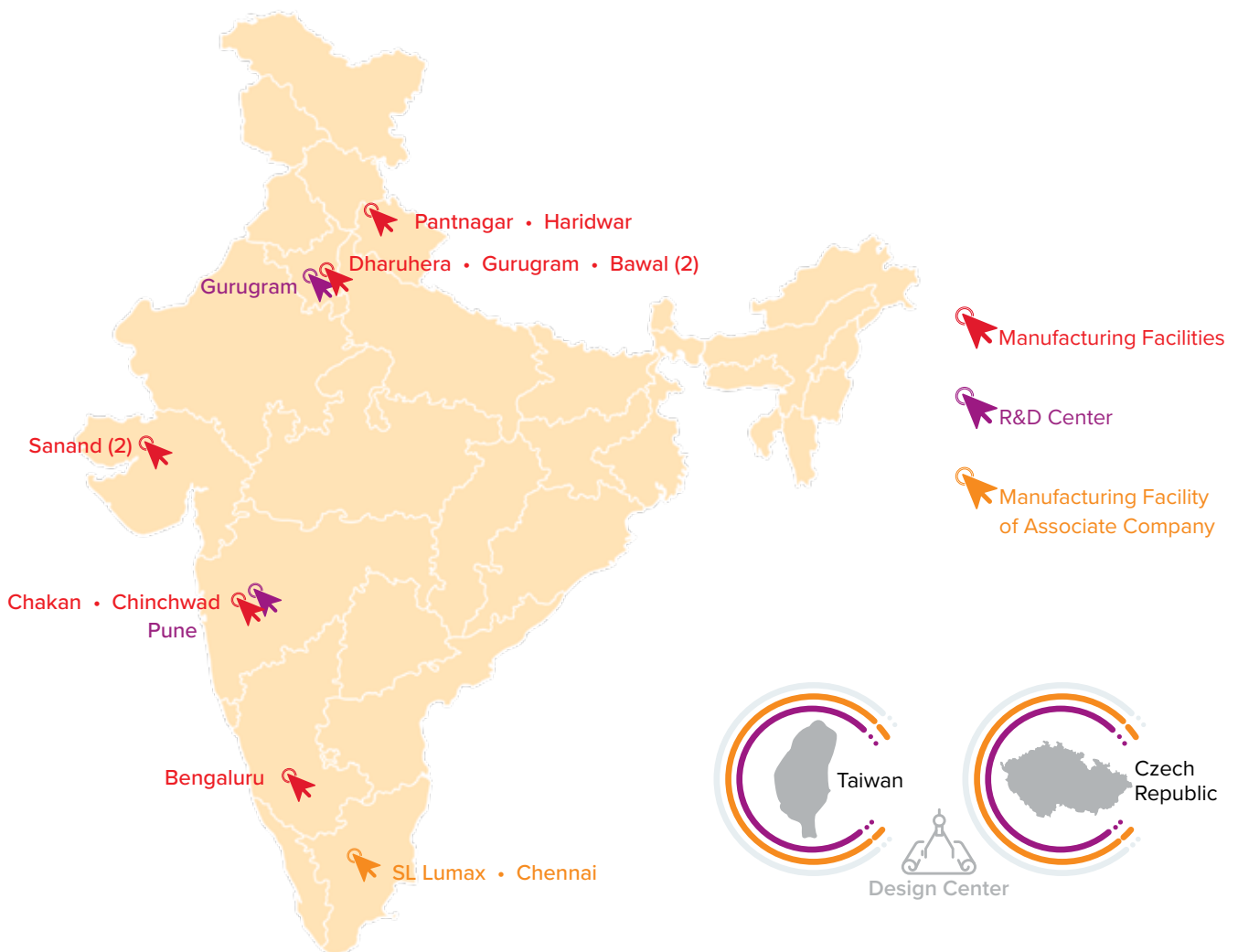


Exports



THE COMPANY'S CAPABILITY REFLECTED IN ITS EXPANDING REACH

Lumax Industries believes in constantly honing the Company's capabilities to grow and offer solutions that match today's and tomorrow's requirements. The Company has been consistently moving ahead with zeal, working on solutions while also expanding reach to cater to an even more growing number of customers. Over the years, LIL has been serving OEMs through the Company's state-of-the-art manufacturing plants situated across India.



This map is a generalised illustration only for the ease of the reader to understand the locations, and it 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 of connection to its accuracy or completeness.

Cred



ible.

The Company's healthy stakeholder relationship adds credibility and responsibility of delivering the best.

At Lumax Industries, the Company's focus is on consistently coming up with modern solutions and delighting its customers through its advanced products and solutions. In this endeavour, the Company's robust R&D plays a vital role. LIL continuously works on upgrading its offerings through its technology-based innovation, which helps meet the dynamic market demands. These proficiencies help the Company transform with technology. Thereby, enabling Lumax Industries to cater to the growing and emerging needs of modern and connected mobility alongside the conventional one.



ROBUST R&D THAT RENDERS CREDIBILITY

Great ideas don't lead to success. Great dreams don't lead to it either. It is the confidence and belief in one's capabilities that turn dreams and aspirations into reality.

Lumax Industries perceives R&D as an excellent tool for recognizing, developing, and seeing the future. LIL believes that, R&D and innovation help focus on possibilities while overcoming constraints.

Over the decades, Lumax Industries has become renowned as a prominent, agile, and inventive provider of automotive lighting solutions rooted in India. The Company is also known for its exceptional R&D skills and strong innovation capabilities. Together, these have helped Lumax Industries produce aesthetic design and premium quality products.

The primary enablers of the transition from conventional to LED lighting are current advancements and changing client preferences. The Company's R&D team enables it to respond to the market's ever-changing trends promptly. The team empowers LIL to reorganize its processes for developing customized products across segments with shorter turnaround time using cutting-edge technology. As a result, the Company has added flexibility to its services by offering a diverse range of lighting solutions.

Today, Lumax Industries is at the forefront of industry advancements. The Company is supported by a strong brand equity and a track record. Lumax Industries continues to invest in innovation, technology, product development, infrastructure, processes, and its most valuable asset, developing human talent. This strategy is sure to produce consistent results as the Company continues to outperform the industry.





Emerging EV Market

India is intending to have 30% penetration of electric vehicles by 2030 for passenger vehicles, 70% for Commercial vehicles and 80% for two and three wheelers. The Government is trying to improve infrastructure for EV manufacturing within the country with its initiative 'Faster Adoption and Manufacturing of Hybrid and Electric (FAME) Vehicle Scheme.' It has also planned for 22,000 EV charging stations to be set up by Oil Marketing Companies across the country.

Electronics Localisation

Lumax Industries manufactures lighting components that are EV-agnostic. In terms of technology, EV is a quick-mover, and the Company is witnessing a change and shift from conventional to LEDs. Lumax Industries has established relationship with the best companies to provide the best electronics components for the Automobile industry in India. There is also scope for localization in the Electronics industry, and the Company is adding value for customers through Lumax Industries' electronics facility.

Lumax Industries has set up a state-of-the-art electronics plant in Bawal, Haryana, where the Company will manufacture cutting-edge electronic components and technology software – focusing on developing EV components through the same plant.



Confidence



dent.

Confidence comes with the recognition of one's capability and credibility.

Lumax Industries, with over a seven-decade-long journey, has earned a remarkable brand value. LIL believes in transparent and long-lasting relationships with its customers. Lumax Industries carefully monitors market trends and creates quality-driven value for the Company's customers with innovation at the forefront. This has helped it to establish itself as a leader in the worldwide automotive lighting business. The trust, brand name and the long-standing relations that the Company has built with customers, partners and other stakeholders gives LIL the confidence to keep progressing. It helps to keep believing in LIL's potential and pushes the Company to continue adding to its abilities to identify and seize upcoming opportunities.



INVESTMENT THAT MIRRORS CONFIDENCE

WELL-POSITIONED AMID A CHALLENGING ENVIRONMENT

India is well-positioned to witness sustainable and robust growth in the Automotive industry with significant growth opportunities.



(Source: maximizemarketresearch.com)

ROBUST PARTNERSHIPS

Lumax has partnered two joint ventures, with Stanley Electric Co. Japan & SL Corporation Korea, allowing the Company to produce the best-in-class products for its consumers while also providing LIL with an advantage over global competitors.

PRODUCT LAUNCHES

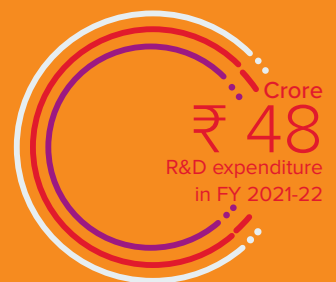
Backed by innovation and R&D, Lumax Industries launches new products each year, focusing on industry trends. Thereby, expanding the Company's addressable market size.

MARKET LEADER IN AUTOMOTIVE LIGHTING SOLUTIONS

With significant market share in India, Lumax Industries is poised to become India's largest automotive lighting manufacturer.

R&D AND TECHNOLOGY LEADERSHIP

The R&D team is dedicated to create cutting-edge designs. These designs align with the dynamic industry requirements and aid in offering services/products backed by the best-in-class technology.





DECADES-RICH RELATIONSHIP WITH STANLEY ELECTRIC CO., JAPAN

Lumax Industries is the pioneer and most experienced company in India's Automotive Lighting space. The Company shares a long-standing association with Stanley Electric Co. Limited, Japan, which dates back close to 40 years. As a world leader in Vehicle Lighting and illumination products, Stanley Electric Co. Limited manufactures automotive lamps, LEDs (ultraviolet, visible, infrared), and other electronics, with manufacturing at its core.

Lumax leveraged the technical capabilities of Stanley for manufacturing the Printed Circuit Board (PCB) – the core component of LED automotive lighting system. However, the Company has extended its joint venture to widen its product line in Heating Ventilation Air Conditioning panel (HVAC panels). The Company is manufacturing PCBs at its electronics plant at Bawal.

This strong partnership will help Lumax Industries meet the future need for electronic components and electronic software in automobiles. The Company is working on producing cutting-edge electronic components and software that are also EV-agnostic. This will help the Company in the future when EVs will witness high demand in India.

ONE-ON-ONE WITH THE MANAGEMENT



“At Lumax, we are prepared to make the most of opportunities coming our way as we foster a growth roadmap.”

Dear Fellow Stakeholders,

We are glad to be speaking with our trusted stakeholders as we move to the closure of another financial year. We have witnessed several hiccups in the last two years, and every aspect of our lives has been challenged. But despite it all, we are filled with immense gratitude for our ability to continue delivering our promises year after year. At Lumax Industries, the first and foremost thing that we ensured was the health and safety of our employees. We focused on preserving business continuity and delivering on our commitments to our customers and communities. We have been proudly serving our clients, performing exceptionally while gaining the trust of our stakeholders.

This has helped us become more **‘Capable’** for the future. Our commitment to R&D, innovation, and technological transformation demonstrates how **‘Credible’** we are. The impeccable brand value we have created over the past seven successful decades and our excellent relationship with our joint venture partners reflects how **‘Confident’** we are in our ability to deliver for the future.

The Global Economy

As the world continues reeling from the aftermath of the Covid-19 pandemic, the Russia-Ukraine crisis has only added to the still-recovering global economy on an unstable path. Global supply chain disruptions, rising energy prices, and food shortages are some of the immediate effects of this war, potentially exacerbating the Covid-19 pandemic-led high inflation and jitter in financial markets.

The Indian Economy

The Indian economy is anticipating growth supported by public investments and the commencement of contract-based services. The agriculture sector has shown substantial growth in the past two years and significantly contributed to India’s growth.

Automotive Industry

The Automotive industry remained slow in the first quarter of FY 2021-22 due to rising incidences of the Covid-19 Pandemic. As we moved into the second quarter, the semiconductor chip shortage impacted the industry’s demand for automobiles. The third quarter saw hyper-inflationary pressures influencing the growth in steel prices and raw material costs. The fourth quarter witnessed the Russia-Ukraine conflict, which impacted the global economy, slowed GDP, and raised prices. Despite all these factors, the economy is anticipated to witness a faster rebound in the second half of 2022.

Despite the industry’s instability and slump, Lumax Industries – as an entity – outperformed the industry. We successfully commenced our electronics facility at our Bawal plant and commercial production at our new Sanand manufacturing plant. As a company, we are continually putting efforts and delivering premium products to our customers, even amid a challenging external environment.

Looking ahead, we will continue putting efforts into achieving higher earnings to meet our customers' expectations domestically and globally.

Financial Performance

During the FY 2021-22, the Automotive industry witnessed a recovery in the economy while vaccination drives provided another chance to breathe. As the year 2022 began, the automobile sector continued facing massive shifts in business models as the rate of electrification accelerated and connectivity technology increased. These changes have given rise to intense competition and added to the opportunities for Original Equipment Manufacturers (OEMs). Our performance remained on the healthier side throughout the year. We are witnessing strong growth in our order book that also includes migration from conventional to LEDs. We are continuously making efforts to increase profitability and reduce the breakeven points way forward.

We have been monitoring our fixed cost despite the under-utilization of capacity at some of the plants. We also undertook various measures for cost-optimization to reduce fixed and variable costs and for making the processes more efficient.

Looking ahead, we will continue putting efforts into achieving higher earnings to meet our customer expectations domestically and globally.

Operational Performance

In this volatile environment, our business marked healthier growth on the operational front during the year.

We established our office in the Czech Republic. It is a design office focusing on the European market and trends. This will be instrumental in establishing and enhancing our self-reliance on technology, keeping pace with the fast-changing lighting trends in the European market.

Strategic Priorities for the Way Forward

- Focus on strengthening R&D to provide innovative products in the future
- Strengthen our relationship with Stanley Electric to serve more in the Electronics market and make efforts in the Tractor segment on the electronics front
- Focus on the Electronics segment as it grows stronger with capacity expansion, helping us cater on the EV front

As we actively strive for a brighter future, we continue to set new paradigms every day. Once the demand in the industry improves, Lumax Industries, too, will benefit from it.

- Add new customers, increase exports, and improve pocket share with the customers at instances of less wallet share
- Keep serving customers and enhance the 38-year-old relationship with Stanley Electric even stronger to overcome future challenges

Way Forward

With technology becoming a driving force behind companies and various aspects of society, organisations that can lead and harness the digital revolution will have a bright future. Agility and innovation are essential for long-term success in an unpredictable and tough environment.

As we actively strive for a brighter future, we continue to set new paradigms every day. Once the demand in the industry improves, Lumax Industries, too, will benefit from it. We have already commenced the groundwork and established our electronic facility which will successfully be available for operations for optimum utilisation. We will localise all new products – ones that are conventional and the ones using new technology – and are hoping to localise 70% of our

electronics components by 2024. We are optimistic and positively looking forward to the fruition of this development.

We want to express our heartfelt gratitude to the Board of Directors for passionate and adept leadership. We would also like to thank all our stakeholders for their steadfast trust in Lumax Industries. This message would be incomplete without thanking the Lumax team for their tireless efforts, their unwavering commitment to achieving our Company's majestic goals, is what pushes us forward.

Warm regards,

DK Jain

Deepak Jain

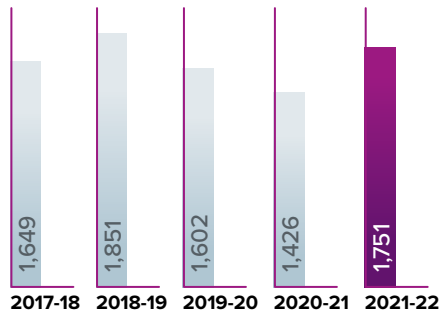
Anmol Jain

FINANCIAL CAPABILITIES THAT ADDS CONFIDENCE

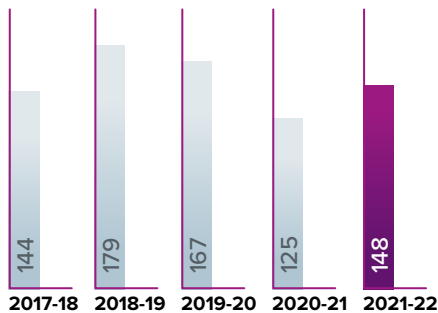
Lumax Industries uses key performance indicators (KPIs) to measure progress as the Company works on delivering promises through the successful implementation of the strategy. This, in turn, helps LIL monitor progress that adds to its confidence.

Financial Performance

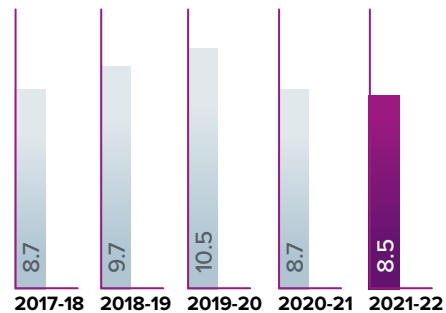
Revenue from Operations* (₹ Crore)



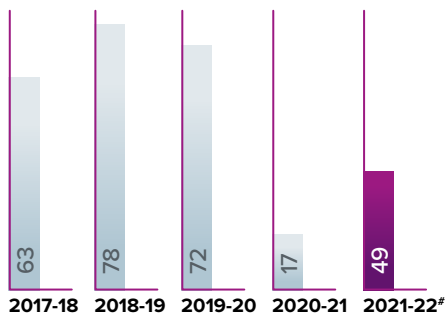
EBITDA (₹ Crore)



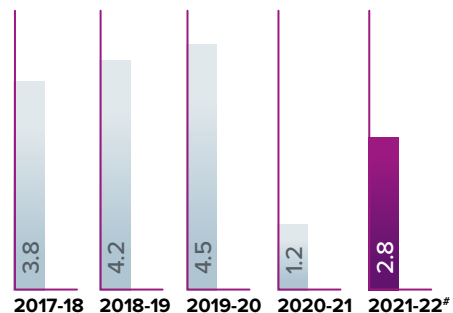
EBITDA Margins (%)



PAT (₹ Crore)



PAT Margins (%)

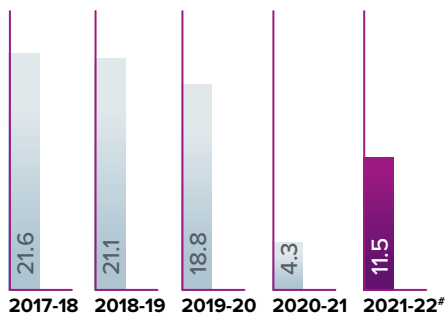


Standalone Results

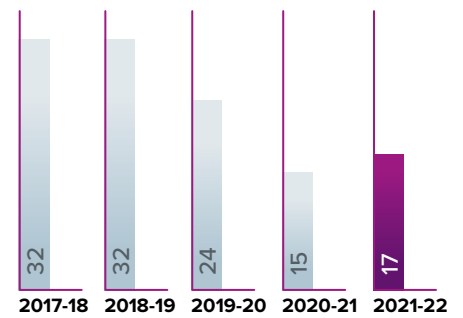
EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation | PAT: Profit after Tax excluding exceptional items | * Include mould sales

Financial Ratios

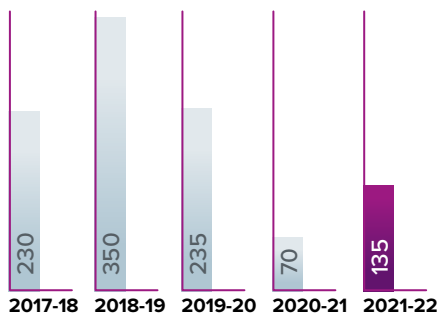
ROE (%)



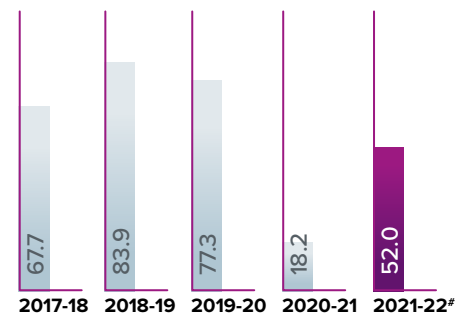
ROCE (%)



Dividend (% of Face Value)



EPS (In ₹)



Standalone Results

ROE: Return on Equity

ROCE: Return on Capital Employed (Includes long term borrowings only)

EPS: Earnings Per Share

[#] Before exceptional items

ENVIRONMENT

COMMITTED TO BEING RESPONSIBLE TOWARDS SAVING THE ENVIRONMENT

As a responsible corporate citizen, Lumax Industries work hard to make meaningful and enduring contributions to environment. The Company strives to play a significant role in contributing to environmental endeavours.





Environment, Health, and Safety (EHS) Policy

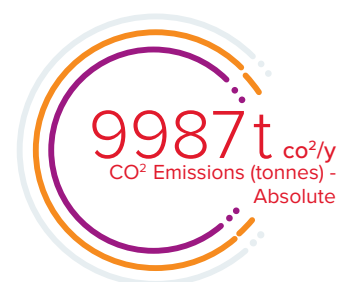
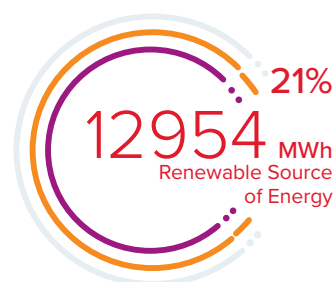
The Company already has an Environment, Health, and Safety Policy in place, which is also displayed at the Company's plants/facilities for the benefit of all of its workforce/employees.

Lumax Industries is committed to achieving and maintaining world-class health and safety standards and protecting environment through continual improvement for all our employees by:

- Proper design of all the processes
- Complying with statutory and regulatory requirements
- Consultation and participation of workers and their representatives
- Developing, improving and sustaining processes for systematic prevention & elimination of ill health, injuries, safety & environmental hazards & the risks involved
- Prevention of pollution and conservation of natural resources
- Prevention of waste generation by 3R (Reduce, Reuse and Recycle)

Strategic Initiatives Undertaken for Energy Conservation

Lumax Industries formed a dedicated Energy Management Department in 2017. The Department has a well-planned action plan to reduce the energy consumption at the plant and its impact on the environment. Plant-specific internal audit plans helps in identifying the Company's progress on conservation. Lumax Industries also has an Energy Policy in place, which establishes energy reduction goals.



Key steps Taken and their Impact on Conservation of Energy

Chiller Network System

- Upgraded to a better energy-efficient chiller system
- Reduced running hours of the chiller compressor by adding a reservoir tank to the chiller network system
- Minimised chiller energy consumption through the insulation of chilled water pipeline and chilled water tank

Compressed Air Network

- Reduced generation pressure of the compressor by leakage arresting
- Installed auto drain trap for receivers instead of timer-based drain traps
- Installed equipment that uses less compressed air for the vacuum generation at assembly lines

Pumping System

- Upgraded inefficient pumps with energy-efficient pump
- Installed variable frequency drives on pumps to reduce pumping volume while operating higher capacity pumps, thereby, decreasing the pumping cost
- Modified process pump pipe network to reduce the friction loss, which, in turn, will reduce the pumping cost of the system

Reducing Radiation Losses

Installed equipment with higher surface temperatures such as:

- Injection molding machine hopper insulation
- Insulation paint on oven with high surface temperature
- Insulation paint on the molds with higher surface temperature

Cooling Tower

- Upgraded Interlocking CT fan speed with cooling tower outlet temperature to reduce cooling tower energy consumption

Motor System

- Upgraded conventional motors with energy-efficient motors
- Upgraded greater capacity motors with lesser capacity motors for an effective motor load analysis

- Installed variable frequency drive (VFD) on a motor with underload capacity utilisation to reduce energy consumption while optimising motor speed

Technology Change

- Upgraded from energy consumption mica band heaters of injection molding machine to IR heater for reducing cost
- Upgraded to induction motor of air washer with EC motor for reducing energy consumption
- Upgraded hydraulic motor to servo motor and, thereby, contributed in reducing energy consumption of injection molding machine
- Upgraded conventional fan to Brushless Direct Current Technology (BLDC) fan

Benefits of Energy Saving

Improving energy management can benefit Lumax Industries' business and the environment by:

- Minimizing energy and operating expenses by increasing energy efficiency
- Extending the life of the equipment and lowering the risk of downtime through improved maintenance regimes
- Reducing the Company's environmental impact by minimizing energy-related greenhouse gas emissions
- Enhancing the Company's reputation and employee satisfaction by demonstrating a commitment to environmental stewardship and delivering a safer and more comfortable workplace

Steps taken to Increase our Future Contribution Towards Renewable Energy in Manufacturing

Lumax Industries has put up equity to buy solar power from Group Captive Solar Park for one of the Company's plants. The Company has installed 3.34 MW roof top solar panel and agreed upon overall capacity of 3 MW DC. Furthermore, the Company is discussing with various power producers who are physically present in group captive mode and have set up/are nearing completion of their captive plant for renewable energy in Haryana, Karnataka, and Gujarat region. This will result in significant savings in energy costs and reduction in carbon footprint.



Energy Management System (EnMS) ISO 50001

Lumax Industries has acquired ISO 50001 certification for the Company's Energy Management System (EnMS) for one of its factories in Bawal. Going ahead, the Company plans to certify other units. This certification will assist plants in keeping a check on their energy consumption and, as a result, will aid in continuous improvement in energy consumption reduction.

Lumax Industries has installed energy monitoring systems for one of its plants at Bawal and planning to get certified for all other plants, as part of the Company's goal to continuously improve each process and monitor real-time data bases to avoid resource loss. Furthermore, the Company plans to completely connect all plants with this cloud-based centralized energy monitoring system.

Using Renewable Sources of Energy

Lumax Industries wants to transform around 60% of the Company's total capacity into renewable sources, which will fall under a group captive solar/wind park regulation. The Company is aiming for 60% because there are a few challenges to 100% conversion, mentioned as follows:

- Plants with contract demand less than 1000 kVA are not eligible for power offtake through group captive

- Settlement in the peak hours is not allowed by the respective state's DISCOM which is around 15-20% of total plant consumption
- Due to the dynamic nature of plant production, the Company takes 20% margin in signing the Power Purchase Agreements

Vision of 'Carbon Footprint Reduction'

By 2030, India will have met 50% of its energy needs with renewable energy. So starting now, India will lower its overall estimated carbon emissions by one Billion tonnes. And so by 2030, India's economy will have reduced its carbon intensity by less than 45%.

We Contributed

Lumax Industries has installed a solar rooftop with approximately 3.34 MWp for renewable energy generation. The Company has also signed a Power Purchase Agreement with a capacity of about 8.0 MW DC for the Group's captive offtake of electricity from renewable energy sources. At present, 3 megawatts direct current (MW DC) of the total contractual capacity is already operational, and the Company is drawing electricity up to the maximum allowed by the contract.

SOCIAL

POSITIVELY COMMITTED TOWARDS SOCIAL IMPACT

Lumax Industries is fully committed to the sustainable development goals and is actively involved in development with local communities in the vicinity of the Company's manufacturing facilities. In the Company's strategic implementation of social development activities, Lumax Industries constantly considers how the Company can leverage its capabilities and expertise to contribute to the development of both the community and the Automotive industry.





Community

Societal responsibility is an integral part of sustainable business. Lumax-DK Jain Group has integrated its Corporate Social Obligations with the United Nations – Sustainable Development Goals (SDGs) with a clear vision of commitment towards sustainable growth of the nation, society and the Company.

The Lumax Charitable Foundation is entrusted with delivering on its commitment of enabling community development and wellbeing. At Lumax, the Company puts communities at the centre of everything that it does. The Group's dedicated endeavours emphasise fostering a better way of leading life.

Lumax's CSR arm has humanitarian activities centred on the SDGs of 'Good Health' and 'Quality Education'. The Company empowers its local communities through programmes and initiatives to create a positive impact in the society.





Education Initiatives

The Company enables and disseminates quality and widespread education of girl child, encouraging their enrolment in schools, providing them with starter kits and learning aids. The Company's endeavour is to provide holistic education in the schools it has adopted, providing beyond school learning opportunities, from career counselling and guidance to life skills programs to build their social and emotional competencies, in addition to academics, that are required to meet the challenging vulnerable times.

To reduce drop outs and help students continue with their education without disruption, a scholarship program under the student2scholar project – 'Usha ki Kiran' is provided. These endeavours are aimed at supporting underprivileged students to continue their education and enhance their learning experience. Moreover, the activities such as out-of-school learning activities like excursion trips, infrastructure support, providing LED lights to the schools under the initiative of 'Roshan Vidyalaya' and celebrating festivals with students. The Company has also initiated online life skills session where students gain strength in STEM (Science, Technology, English and Maths).

These initiatives are backed by thorough need assessments and our programmes are preferably conducted in areas around the Company's plants.

The goal of education is the advancement of knowledge and the dissemination of truth

—John F. Kennedy



Health Initiatives

The Company conducts various health initiatives for society at large. The Company's foundation promotes cancer awareness and conducts screening camps for communities in proximity to the business' plants, alongside eye care camps for eye check-ups and cataract surgeries. The Foundation has supported the treatment of diagnosed patients in its endeavour towards Cancer Mukht Dilli.

The cancer screening process includes blood profiling and physical examination by a surgeon, ENT specialist, and gynaecologist, combined with complete radiology examination. The Company also provides a mobile pathology lab for communities have also been donated to the Primary Health Centre (PHC).

The Company continued with the preventive eye care screening and facilitated 654 cataract treatments for medical aid in enabling vision to the elderly through cataract surgeries.



The first wealth is health 

—Ralph Waldo Emerson



Human Resource Management

Lumax Industries believes people are its biggest asset and human resource development is the key to organizational growth. With the keywords 'communication and collaboration', the Company encourages individual employees to share their knowledge, experience, findings and problem awareness through various means to build energetic worksites where every member can work on tackling problems.

Lumax also organizes employee engagement activities, such to ensure a cohesive, warm and team oriented work environment



At Lumax, the Company works every day to put ‘People First’

At Lumax Industries, the Company has a dedicated team committed to the growth of all team members. The Company is constantly strengthening its strong culture, fostering an environment where everyone can be their true selves and produce the finest job.

In a year that has brought many challenges and hardships, Lumax Industries ensured that the Company’s people, worldwide, had access to the resources they needed to care for their health, safety, and physical and mental well-being.

From the Company’s highly qualified CEO to every executive in position, the team at Lumax industries is diverse, empathetic and ambitious. The team propels the Company to new heights every day. The Company offers growth opportunities to all the employees and, thereby, helps them better personally and professionally. Employees at Lumax Industries are encouraged to strive for excellence and are provided with promotion possibilities.

Gurukul – Our First Step to Educate

Gurukul education has been practised since ancient times to educate disciples. Lumax Industries aims to enhance the skills and train the new shopfloor employees

about the Company processes and the safety at workplace along with the operation procedures followed.

Lumax Industries has Gurukul centers at all locations where all new joiners and existing employees undergo training to sharpen their knowledge and technical skills before they start work on the shopfloor.

Women Empowerment

Women are powerful change agents, and the far-reaching benefits of diversity and gender parity in leadership and decision-making are becoming more widely acknowledged in all fields.

At Lumax Industries, women hold strategic roles in the management teams such as R&D, Quality, Corporate Communication, CSR, Marketing, HR, Secretarial Services, Legal, Finance, Sales and Business Development across all the Company’s plants/offices, even at shop floor to run the operations.

The Company gives equal rights and remuneration to women employees. Lumax Industries safeguards and creates safe and secure working environment for women.

Safety and Health

The Company understands how critical it is to provide a safe and healthy environment for all employees. Therefore, Lumax is committed to providing a safe workplace to all our employees and constantly strives towards zero-incidence manufacturing. The Company also avails medical facilities to assist injured employees in speedy recovery and returning to work in a healthy form.



Covid19 – Response to Second Wave

At the Group level, we created quarantine centers at several plant locations, fully equipped with oxygen concentrators, ambulance services, and basic medical assistance, including a full-time doctor on-board 24 hours a day, seven days a week. LIL also organized a vaccination drive for its employees, which began in April 2021 at the Company's facilities. As on date, a total of 17 camps were organized and close to 3,000+ employees and family members have been vaccinated and all employees as on date are vaccinated with 100% coverage for the organization.

We Served

Ambulance Services

The Company arranged ambulance services, including all amenities to ensure quick transfer to hospital without any delay.

Quarantine centers

The Company made quarantine centers for those equipped with oxygen cylinders and concentrators, Medicines and other equipment along with nursing staff & a doctor on visit.

Oxygen Concentrators

Oxygen concentrators were provided for the Company's employees and their families. Lumax Industries cared for all employees, and even made a priority list. The Company prioritised employees first, followed by their dependents, extended families, and also extended support to customers and vendors.

Suppliers

To help its suppliers at every point in Covid19, the Company used digital platforms to disseminate information and extend support. This helped people stay connected while seeking support for their immediate needs.





GOVERNANCE

STRONG VALUES THAT COME THROUGH GREAT GOVERNANCE

Lumax Industries has embedded transparency and accountability at every level of the Company. Lumax Industries' corporate governance framework is intended to promote principled behaviour, informed and effective decision-making, and proper monitoring of compliance and performance, assuring long-term interests of shareholders being served.





Board Supervision

The Company's governance structure is designed to foster principled actions, informed and effective decision-making, and appropriate monitoring of compliance and performance.

Lumax Industries' Board includes Audit Committee, Nomination & Remuneration Committee, Share Transfer/Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee.

The Board of Directors and its committees monitor and consult the Management on progress of the organization. In addition, the Board and its committees examine and discuss the Company's pledges and progress in areas such as inclusion and diversity, employee engagement, remuneration and benefits and compliance. Lumax Industries also has an internal team for managing environmental and social initiatives.

Board Diversity

Lumax Industries' Board comprises a diverse group of highly qualified leaders in their respective fields.

Board's Independence



Respect for Human Rights

Lumax Industries promotes various initiatives to foster employees' awareness of 'Respect for Human Rights'. As part of the Company's compliance education, Lumax Industries provides employees with training on specific issues, such as respect for human rights and The Prevention of sexual harassment (POSH). The Company aims to be a trusted brand towards the society, its employees and local communities. Respect is the integral part of Lumax's values for all its stakeholders and it carries out corporate activities that would contribute to the coexistence and mutual prosperity.

Ethics and Integrity

Lumax Industries' Ethics and Integrity Policy serves as a framework for the Company's ethical expectations of its workers. The Policy expresses the Company's dedication to human rights and the principles that define Lumax Industries' business practices: honesty, respect, secrecy, and compliance. When supplying goods and services to Lumax Industries or working on our behalf we require our suppliers, vendors, and other business partners to adhere to these standards.

Anti-Corruption and Bribery

The Company is aware of the threat that bribery and corruption can pose to the integrity and culture of Lumax Industries. The Company's Anti-Corruption and Bribery Policy assists in keeping the necessary checks and balances in place, thereby, ensuring an ethical workforce.



AWARDS AND ACCOLADES



Lumax Industries Limited, Bengaluru was recognised for its outstanding contribution by achieving Zero Defect Supplies for the year 2020 by Toyota Kirloskar Motor Pvt. Ltd. In July 2021.



Lumax Industries Limited, Haridwar was recognised by Hero MotoCorp Limited for their Continuous Efforts in the Green Partner Development Programme 2020-21 in September 2021.



Three Teams from Lumax Industries Limited participated in ICQCC Competition held at Hyderabad in November 2021 and bagged 1 PAR EXCELLENCE award and 2 EXCELLENCE award.



Lumax-DK Jain Group won the Gold Award in Covid Management - Large Corporates category at the 4th HR Excellence Awards organised by PNGI in December 2021.



Lumax Industries Limited bagged 3 Awards at the ACMA Atmanirbhar Excellence Awards 2021 in March 2022 for Excellence in Manufacturing - Very Large Category, Excellence in New Product Design & Development - Very Large Category and Excellence in Human Resources - Very Large Category.

MEET THE BOARD



LEFT TO RIGHT

1

Mr Avinash Parkash Gandhi
(Independent Director)

2

Mrs Ritika Modi
(Independent Director)

3

Mr D.K.Jain
(Chairman Emeritus)

4

Mr Vikrampati Singhania
(Independent Director)

5

Mr Dhiraj Dhar Gupta
(Independent Director)

6

Mr Anmol Jain
(Joint Managing Director)



7

Mr Kenjiro Nakazono
(Executive Director)

8

Mr Toru Tanabe
(Non-Executive
Director)

9

Mr Deepak Jain
(Chairman &
Managing Director)

10

Mr Rattan Kapur
(Independent
Director)

11

Mr Tadayoshi Aoki
(Senior Executive
Director)

12

Mr Vineet Sahni
(CEO & Senior
Executive Director)

13

Mr Rajeev Kapoor
(Independent
Director)

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 Kenjiro Nakazono

Executive Director - Stanley Nominee

Mr Avinash Parkash Gandhi

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

Independent Director

BOARD COMMITTEES

Audit Committee

Mr Avinash Parkash Gandhi -

Chairman

Mr Deepak Jain - Member

Mr Tadayoshi Aoki - Member

Mr Dhiraj Dhar Gupta - Member

Mr Rattan Kapur - Member

Mr Rajeev Kapoor - 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 Anmol Jain - Member

Mr Avinash Parkash Gandhi - Member

Risk Management Committee

Mr Deepak Jain - Chairman

Mr Vineet Sahni - Member

Mr Avinash Parkash Gandhi - Member

Mr Shruti Kant Rustagi - 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 Limited

(Formerly KFin Technologies Private Limited)

Kary Selenium Tower B, Plot No. 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500032
Email: einward.ris@kfintech.com

REGISTERED OFFICE

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

Email: lumaxshare@lumaxmail.com

Website: www.lumaxworld.in/lumaxindustries

CORPORATE IDENTITY NUMBER

L74899DL1981PLC012804

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

Chartered Accountants

INTERNAL AUDITORS

M/s Grant Thornton Bharat LLP

MANUFACTURING LOCATIONS

Northern Region

HARYANA

- i) Plot No. 16, Sector - 18, Maruti Complex, Gurugram.
- ii) Plot No. 195 - 195A, Sector 4, Phase - II, Bawal, District Rewari.
- iii) Plot No. 6, Industrial Area, Dharuhera, District Rewari.
- iv) Plot No. 12, Sector - 5, Phase II, Industrial Estate G.C Bawal, District Rewari.

UTTARAKHAND

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

Western Region

MAHARASHTRA

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

GUJARAT

- ix) Plot No. D-1, Vendors Park, Sanand, District Ahmedabad.
- x) Plot No. D-2, Vendors Park, Sanand, District Ahmedabad.

Southern Region

KARNATAKA

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

BOARD'S REPORT

TO THE MEMBERS,

The Board of Directors ("Board") have pleasure in presenting the 41st Annual Report on the business and operations together with Audited Financial Accounts of the Company ("the Company") for the financial year ended 31 March 2022.

1. FINANCIAL PERFORMANCE- STANDALONE & CONSOLIDATED

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

(₹ in Lakhs unless otherwise stated)

Particulars	Standalone		Consolidated	
	For the FY 31 March		For the FY 31 March	
	2022	2021	2022	2021
Revenue from Operations	1,75,131.10	1,42,598.07	1,75,131.10	1,42,598.07
Other Income	1,338.64	2,523.38	1,338.64	2,523.38
Total Revenue	1,76,469.74	1,45,121.45	1,76,469.74	1,45,121.45
Total Expenses	1,70,141.04	1,41,969.47	1,70,141.04	1,41,969.47
Profit before exceptional items, income tax and share in profit/(loss) of associate	6,328.70	3,151.98	6,328.70	3,151.98
Exceptional item Gain/(Loss)	(1,713.95)	-	(1,713.95)	-
Profit of Associate	-	-	667.18	154.09
Profit Before Tax (PBT)	4,614.75	3,151.98	5,281.93	3,306.07
Tax Expenses	1,071.38	1,448.13	1,209.46	1,490.84
Profit After Tax (PAT)	3,543.37	1,703.85	4,072.47	1,815.23
Other Comprehensive Income/(Loss) Items that will not be re-classified to profit or loss and its related income tax effects				
- Remeasurement of defined benefit liability/asset	(332.14)	126.54	(287.02)	142.12
- Income Tax relating to above	-	-	-	-
Net other Comprehensive Income/(Loss)	(332.14)	126.54	(287.02)	142.12
Total Comprehensive Income	3,211.23	1,830.39	3,785.45	1,957.35
Paid-up Equity Share Capital (Face value of ₹ 10/- Per share)	934.77	934.77	934.77	934.77
Earnings Per Share (EPS) Basic/Diluted (In ₹)	37.91	18.23	43.57	19.42

a. COMPANY PERFORMANCE

Standalone:

After a tough financial year 2020-21, the current financial year started with lots of hope and enthusiasm for recovery across the industry. However the second wave of covid hit the industry due to which the growth as envisaged did not materialize. Despite fresh covid waves, the industry showed some resilience and after every wave of covid, the industry saw a pent up demand. However, this resilience was partly over shadowed by supply constraints for semi conductor and increase in commodity prices. Despite all these constraints, the Company has been able to achieve good performance during the year.

On standalone basis, the revenue from operations during the Financial year 2021-22 stood at ₹ 1,75,131.10 Lakhs as compared to ₹ 1,42,598.07 Lakhs in the last year registering a growth of 23%.

For the Financial Year 2021-22, the profit before exceptional items and income tax stood at ₹ 6,328.70 Lakhs as compared to ₹ 3,151.98 Lakhs in the last year witnessing a significant increase of 101%. The PBT after exceptional items stood at ₹ 4,614.75 Lakhs as compared to ₹ 3,151.98 Lakhs in the last year registering an increase of 46%. The Profit after Tax (PAT) stood at ₹ 3,543.37 Lakhs as compared to ₹ 1,703.85 Lakhs registering a significant increase of 108%. The Total Comprehensive Income increased to ₹ 3,211.23 Lakhs as against ₹ 1,830.39 Lakhs in the last year registering an increase of 75%. The Basic and Diluted Earnings per share stood at ₹ 37.91 registering a significant increase of 108%.

Board's Report (Contd.)

Consolidated:

For the Financial Year 2021-22 on consolidated basis, the profit before exceptional items, income tax and share in profit of associate stood at ₹ 6,328.70 Lakhs as compared to ₹ 3,151.98 Lakhs in the previous year witnessing a significant increase of 101%. The PBT after exceptional items and share in profit of associate stood at ₹ 5,281.93 Lakhs as compared to ₹ 3,306.07 Lakhs in the last year registering an increase of 60%. The Profit after Tax (PAT) stood at ₹ 4,072.47 Lakhs as compared to ₹ 1,815.23 Lakhs registering a significant increase of 124%. The Total Comprehensive Income increased to ₹ 3,785.45 Lakhs as against ₹ 1,957.35 Lakhs in the last year registering an increase of 93%. The Basic and Diluted Earnings per share stood at ₹ 43.57 registering a significant increase of 124%.

b. SHARE CAPITAL

The paid-up Equity Share Capital as on 31 March 2022 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 @ ₹ 13.50/- (i.e. 135%) per equity share having face value of ₹ 10/- each for the FY 2021-22 in its meeting held on 24 May 2022 subject to approval of Shareholders in the ensuing AGM ("AGM"). The Total Dividend paid for the last financial year was ₹ 7/- (i.e. 70%) per Equity Share having face value of ₹ 10/- each.

The total dividend pay-out for the FY 2021-22 would work out to ₹ 1,261.94 Lakhs, which is equivalent to 35.61% of the net profits of the Company during the year as against the pay-out of ₹ 654.34 Lakhs in last FY 2020-21. The Register of Members and Share Transfer Books shall remain closed from Tuesday, 12 July 2022 to Friday, 22 July 2022 (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, 11 July 2022 within the stipulated time period.

DIVIDEND DISTRIBUTION POLICY

As per the amendment dated 5 May 2021 in the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), (as amended from time to time), the Top 1000 Listed Companies based on Market Capitalization,

has to mandatorily formulate a Dividend Distribution Policy.

Pursuant to the amended provisions of Regulation 43A of the Listing Regulations, the Board of Directors in their meeting held on 6 August 2021 had approved and adopted the Dividend Distribution Policy of the Company.

The Dividend Distribution Policy can be accessed on the website of the Company at <https://www.lumaxworld.in/lumaxindustries/pdf/dividend-distribution-policy-lil.pdf>.

d. AMOUNT TRANSFER TO RESERVES

The Board of the Company do not propose to transfer any amount to reserves 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 2021-22, the Associate's profit attributable to the Company was ₹ 667.18 Lakhs as compared to the ₹ 154.09 Lakhs in the last year.

In accordance with the provisions of the Companies Act, 2013 ("the Act") and Regulation 33 of the Listing Regulations and applicable Accounting Standards, the Audited Consolidated Financial Statements of the Company for the FY 2021-22, 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 <https://www.lumaxworld.in/lumaxindustries/associate-financials.html>. 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 <https://www.lumaxworld.in/lumaxindustries/index.html>.

Board's Report (Contd.)

2. STATE OF COMPANY'S AFFAIRS

With the improved situation of COVID and consequent opening of the economy, FY 2021-22 was expected to be a better year after a tough year of FY 2020-21, however due to fresh waves of covid coupled with supply constraints and increase in commodity prices, the industry's performance remained subdued. According to Society of Indian Automobile Manufacturers (SIAM) report, the industry produced a total 229.33 Lakh vehicles including Passenger Vehicles, Commercial Vehicles, Three wheelers, Two wheelers and Quadricycle during FY 2021-22 as against 226.55 Lakh Vehicles produced during last FY 2020-21 showing a growth of 1.23 %. 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 had opened its Design 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 with addition of 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 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.

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.

Top Management is very keen on Digital Transformation of the Company in the real sense and formed committee of 10 key employees from all the departments. This committee conducted various meetings with the key stakeholders and prepared detailed roadmap. This

detailed roadmap has been made keeping in mind the vision of the Company, adoption of latest technologies, Automation of processes & data security. The Committee defined four stages for digital health assessment i.e. nascent, emerging, robust & Leading across all the elements of the process value chain. Company's roadmap for digital transformation is having following key objectives:

- Digitalizing all the manual processes
- Leading Design Centre as per Global Standard
- Standard Manufacturing Cockpit at plant level
- AI/ML based alert system
- Dashboard for the Top Management at Corporate Level
- Robust Data security & surveillance system to protect data as well as cyber attacks

Team is working on the above objectives and achieved good results in the digitalization of the process, Supply Chain & Security. In the next year, the Company's target is to maximize the impact of Digitalization. The Company will witness improvement in Marketing, Human Resource practices, Manufacturing Operations and enhance Design capabilities.

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 organization 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 Localized LED Projectors, LED Fog Lamps, Sealed Projector, Charging Indicator Lamps for EV application, Sequential Turn Indicator, integrated 3-in-one Signaling Functions, Lamps with 2K-3K Lens/Bezel, Full Deck-lit Lamps etc. in India for enhanced visibility & Aesthetic

Board's Report (Contd.)

at Lower Power Consumption or Cost. The Company is also working on Innovative Technologies of the future (Projectors, 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 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 21-22, 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.

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:

- Capex for new Projects at plants – ₹ 4,178.69 Lakhs
- Capex for new Projects at Bawal and Sanand – ₹ 3,576.56 Lakhs and ₹ 6,908.78 Lakhs respectively

Further, an expenditure on Research and Development facilities of Chakan and Gurugram was done to the tune of ₹ 211.02 Lakhs.

b. TECHNOLOGY, INNOVATION AND QUALITY

Based on challenges ahead, the car industry changes to EVs and software-defined cars; the tier-1 lighting business is in a huge structural change; enabled by technologies Sensor based, Charging indicator Lamps, new lighting elements, micro optics, and much more. It looks a lot like disruption. On the safety side of business, Company has

to look much more at the whole system, not only usual view to a subsystem like the headlamps. Accordingly the Company needs to develop more adaptive systems—adaptive to the complete environment. The requirements for car lighting are very different in the colourful and bright ambience of a megacity versus the dim and rainy countryside. All around the car! Lit roof rails; lit logos on the C-pillar and everywhere else; digital light; edge-to-edge front and rear position lamps; turn signal and reversing lamp projections; digital DRLs; light carpets; welcome/goodbye lights. Small projectors for dynamic ground illumination are starting to enter the car. Lit logos are trending, but legislation is still difficult. All Lighting Functions are dynamic in future. One of Company's future tasks will be providing the best light for the respective situation taking care of Styling, Quality & Cost.

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 affordable LED Headlamps, Adaptive Driving Beam, Charging Indicator Lamps for EV applications, 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 in Europe & India with the 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 continue to celebrate 15 September as Innovation Day, on the occasion of Engineers Day, showcasing the Company's new products and 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.

Board's Report (Contd.)

d. KEY BUSINESS DEVELOPMENTS

The Company had commenced the commercial production of automotive electronic components at its new manufacturing plant situated at Bawal, Haryana on 12 January 2022 and also the Company had commenced the commercial production at its new Sanand Plant situated at Gujarat on 29 March 2022.

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

During the financial year ended 31 March 2022, 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, the appointment of Mr. Vikrampati Singhania, who was appointed as an Additional Non-Executive Independent Director w.e.f. 11 February 2021 for a period of 5 years, was regularised by the members in the AGM held on 31 August 2021.

Further, the Board of Directors in their meeting held on 11 February 2022 had approved the reappointment of Mr Rajeev Kapoor for the second term of 5 years and the same has also been approved by the Shareholders.

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 Vineet Sahni, CEO and Senior Executive Director (DIN: 03616096) and Mr Kenjiro Nakazono (DIN: 08753913) are due to retire by rotation at the ensuing AGM and being eligible, offers themselves for reappointment.

A brief profile of Mr Vineet Sahni and Mr Kenjiro Nakazono is provided in the Notice of the ensuing Annual General Meeting 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.

The Board of Directors are of the opinion that Mrs Ritika Modi, Independent Director of the Company who was appointed on 28 July 2018, have the integrity, expertise & experience and have ascertained that she has cleared the proficiency self-assessment test, conducted by The Indian Institute of Corporate Affairs (IICA), pursuant to the provisions of Rule 6 (4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Mr Avinash Parkash Gandhi, Mr Dhiraj Dhar Gupta, Mr Rattan Kapur, Mr Rajeev Kapoor and Mr Vikrampati Singhania, Independent Directors were exempted from appearing for the proficiency self-assessment test.

Further, as stipulated under the Regulation 17(10) and 19 read with Schedules thereto of Listing Regulations, an evaluation exercise of Independent Directors was conducted by the Nomination and Remuneration Committee and the Board of the Company and satisfied themselves with the performance and contribution of all the Independent Directors.

(ii) KEY MANAGERIAL PERSONNEL (KMP)

As on 31 March 2022, 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).

c. NUMBER OF MEETINGS OF BOARD OF DIRECTORS

During the FY 2021-22, the Board met five (5) times on 7 May 2021, 11 June 2021, 6 August 2021, 12 November 2021 and 11 February 2022 to review the operations of the Company. It is confirmed that the gap between two

Board's Report (Contd.)

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 24 February 2022, 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 2022 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 2022 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

In pursuance to SEBI (Listing obligations and Disclosure Requirements) (Third Amendment) Regulations, 2021, the Definition and Criteria of Independence of the Independent Directors has been amended as per Regulation 16 (1)(b) for all the Listed Companies and the same has come into effect from 1 January 2022. Accordingly the requisite declarations, as per the Regulation 16 (1) (b) and Regulation 25 read with the provisions of Section 149 (6) of the Act, 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 Company has in place the 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) of the Act.

The main features of the Policy are as follows:

- It acts as a guideline for matters relating to appointment and re-appointment of directors;
- It contains guidelines for determining qualifications, positive attributes of Directors, and independence of a Director;
- It lays down the criteria for Board Membership;
- It sets out the approach of the Company on Board Diversity;
- It lays down the criteria for determining independence of a Director, in case of appointment of an Independent Director.

During the year under review, there were no substantive changes in the Policy except to align the Policy with amendments made to applicable laws and the same is available on the website of the Company at <https://www.lumaxworld.in/lumaxindustries/pdf/nomination-and-remuneration-policy-of-directors-key-managerial-personnel-and-other-employees.pdf>.

Board's Report (Contd.)

g. PERFORMANCE EVALUATION OF BOARD, COMMITTEES 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 placed.

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

The Composition of the Audit Committee is in alignment with the provisions of Section 177 of the Act read with rules framed thereunder and Regulation 18 of the Listing Regulations. The members of the Committee are financially literate and having experience of financial management.

As on 31 March 2022 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). Mr Pankaj Mahendru acts as Secretary to the Audit 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.

Board's Report (Contd.)

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 2021-22, 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 - C** to this Report.

Further, the Shareholders approval on such Material Related Party Transactions have been taken by way of Postal Ballot Notice dated 12 November 2021 for which the results were declared by the Company on 28 December 2021.

The details of the Related Party transactions as per IND AS 24 are set out in the notes to the financial statement to the Company.

The Company has formulated a policy on Related Party Transactions, which is available on the Company's website at <https://www.lumaxworld.in/lumaxindustries/pdf/policy-document-on-materiality-and-dealing-with-related-party-transactions.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 behavior, 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 https://www.lumaxworld.in/lumaxindustries/pdf/vigil-mechanism-whistle-blower-policy_LIL.pdf. 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, anonymously, to provide protection to the employees 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 REMUNERATION OF DIRECTORS AND OTHER 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 - D**.

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 Act.

m. COMPLIANCE MANAGEMENT FRAMEWORK

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

Board's 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 alongwith 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 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

Earlier the Risk Management Policy was not applicable to the Company as per the Listing Regulations but as a Good Corporate Governance Practice, the same was formulated along with the voluntary constitution of the Risk Management Committee.

During FY 2021-22, as per amended Regulation 21 of the Listing Regulations which came into effect from 5 May 2021, it became mandatory for the Top 1000 Listed entities to constitute the Risk Management Committee with majority of the members of Committee to be amongst the directors and senior executives of the Company with at least one independent director and Chairperson to be a member of Board.

Accordingly, the Board of Directors in their meeting held on 6 August 2021, re-constituted the Risk Management Committee and amended the Risk Management Policy.

The Risk Management Committee is responsible 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 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 <https://www.lumaxworld.in/lumaxindustries/pdf/risk-management-policy-lil.pdf>.

c. AUDITORS

Statutory Auditors

M/s B S R & Associates LLP, Chartered Accountants (FRN:116231W/W-100024), Statutory Auditors of the Company, have completed their tenure of 5 years and accordingly will cease to act as Statutory Auditors upon the conclusion of the ensuing Annual General Meeting.

M/s B S R & Associates LLP, Chartered Accountants have maintained the highest level of governance and substantially contributed in to the efforts of the Company towards strengthening the internal controls, processes and procedures in line with expanding size of operations. The Board places on record its deep sense of appreciation for the services rendered and guidance given by them as the Statutory Auditors of the Company.

M/s S.R. Batliboi & Co. LLP, Chartered Accountants (FRN: 301003E/E300005) have agreed to and given their consent for their appointment as the Statutory Auditors of the Company.

Board's Report (Contd.)

M/s S.R. Batliboi & Co. LLP, Chartered Accountants have furnished a certificate confirming that they are not disqualified for being appointed as Auditors of the Company.

In terms of Section 139(2) of the Act, the Board, upon recommendation of the Audit Committee, has recommended the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company, for a period of five consecutive years from the conclusion of the 41st Annual General Meeting up to the conclusion of the 46th Annual General Meeting, to the members of the Company for approval.

Accordingly, an item for appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company for a period of 5 (five) years is being placed at the ensuing AGM for approval of the members.

Information about the proposed appointment of M/s S.R. Batliboi & Co. LLP is given under the Notice of AGM, which forms part of this Annual Report.

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 2021-22 forms part of the Annual Report. There are 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, for the audit of the cost accounts of the Company for the FY 2022-23.

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 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 41st AGM of the Company.

Cost Audit Report

The Cost Audit Report for the FY 2020-21 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

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, Practising Company Secretary (M. No. F4982) as the Secretarial Auditor of the Company to conduct the Secretarial Audit for FY 2022-23.

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 2023.

Annual Secretarial Audit Report & Annual Secretarial Compliance Report

The Secretarial Audit Report for the financial year ended 31 March 2022 under the Act, read with Rules made thereunder and Regulation 24A (1) of the Listing Regulations is set out in the **Annexure - E** to this Report. There are no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Pursuant to 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 (M. No.: F 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.

Board's Report (Contd.)

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 2021-22 was carried out by M/s Grant Thornton Bharat LLP. Further, the Board in their meeting held on 24 May 2022 has appointed M/s Grant Thornton Bharat LLP as Internal Auditors for the FY 2022-23.

d. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 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) objective is to give back to society and contribute to nation's development through its initiatives.

The Company's CSR initiatives are implemented primarily 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 ₹ 128.87 Lakhs i.e. 2% of the average net profits during the three immediately preceding financial years against which the Company has actually spent ₹ 134.45 Lakhs. Also the unspent amount of CSR on ongoing projects for the FY 2020-21 amounting to ₹ 46.54 Lakhs along with the interest amount of ₹ 0.70 Lakhs has been spent during the FY 2021-22.

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.

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 Company had also donated the oxygen concentrators, ventilators and other equipments to help the Covid Patients.

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 2022, the CSR Committee of the Company comprised of three (3) Members namely, Mr Deepak Jain (Chairman), Mr Avinash Parkash Gandhi and Mr Anmol Jain.

The details of the CSR Policy of the Company are also available on the website of the Company at https://www.lumaxworld.in/lumaxindustries/pdf/corporate-social-responsibility-policy_Lumax-industries-limited.pdf.

The contents of the said policy are as below:

- a. CSR Philosophy
- b. Constitution of CSR Committee
- c. Role of CSR Committee
- d. Implementation of CSR Projects, Programs and Activities
- e. Allocation of Budget
- f. Lumax domains of engagement in accordance with Schedule VII
- g. Monitoring and Review Mechanism
- h. Management Commitment

Board's Report (Contd.)

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

6. OTHER DISCLOSURES

Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company have occurred after the end of the financial year ended 31 March 2022 till the date of this Report.

Particulars of Loans, Guarantees and Investments

The particulars of Investments and Loans as on 31 March 2022 as covered under the provisions of Section 186 of the Act is given in the Notes to Financial Statements of the Company. The Company has not given any guarantees during the year under review.

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 with energy efficient technologies and offtake of electricity from renewable sources wherever feasible. These manufacturing units are constantly encouraged to improve operational activities and maximizing 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, 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 – G** to this Report.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31 March 2022 is available on the Company's website on <https://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 2021-22, there were no companies which became Subsidiary or Joint Venture of the Company, nor 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 Section 134(3) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014, 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 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 2021-22, Twenty Five (25) meetings and Forty Two (42) 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 continues to identify and manage risk to ensure the health & safety of the employees. The

Board's Report (Contd.)

Company focuses on "Health and Safety" continuously to ensure policies, procedures and systems to meet the requirements of current legislation and best practices. Over the last six years the Company has been working to strengthen the position in relation to health and safety management. This has been a process of gradually tightening up on policies and procedures and ensuring that these remain relevant and up-to date. The Company has improved systems for carrying out risk assessments and making sure that they are regularly reviewed; for tracking of workers; workstation assessments and for many other aspects of a good health and safety management system. From the work commenced during 2021-22 to deliver the Corporate Health and Safety Action Plan and maintain the profile of health and safety, the Company has continued to work closely with its internal Safety Officers and external Agencies to build on that work and promote continuous improvement.

Key aims and objectives achieved in 2021-22 includes: Strong and Active Leadership:

- Corporate safety procedures were reviewed and Health and safety management audit program delivered.
- Health and safety competence, awareness & training was in place.
- Safety performance and risk management arrangements established in the organization.
- Team approach has continued to progress key health and safety objectives.
- Continuation of strong health and safety Management System through the established safety committees to ensure effective communication and consultation arrangements for discussion and promotion of health and safety improvements at scale and place.
- Health & safety as a standing item on all Corporate, Directorate and manager meeting agendas to embed best practice and drive cultural change and improvement.

Apart from the above, the Company has also performed below activities in FY 2021-22 sincerely:

1. Hazards specific Safety training (Fire Fighting, First Aid, Electrical Safety, Chemical & Machine Safety)
2. KYT - Kiken Yochi Training (Identifying hazard and taking corrective measures with the help of actual users)
3. Regional Safety Meeting at all regions.

4. Safety Gemba Audit and Monitoring.
5. Fire Risk Assessment.
6. Comprehensive review/surveillance audit done as per ISO 14001:2015 (Environment Management System) and ISO 45001:2018 (Occupational Health & Safety Management system)
7. Near miss incident capturing and Investigation.
8. Celebrated the Fire Safety week, Safety Week and Environment Day to create the Safety awareness among the workers.
9. Surface treatment - Duct Cleaning for all locations.

For Tier-2 Suppliers:

From the last Five years, the Company also commenced the Fire Risk Assessment Audit for Tier-2 suppliers (62 Nos) to reduce the fire related incident and achieved significant OK result.

Also the Company has initiated for safety and started the Safety Audit from 2019-20 for (7 Nos) suppliers to reduce the human injury. (only for those who are heaving the heavy power press machinery- Critical Operation).

Apart from the above activities, the Company is strictly monitoring the injury status and sharing every month to its Vendors and also delivered Training awareness program related to Fire, Electrical, Machine Safety and Fire Mock drill.

TRANSFER 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)

Board's Report (Contd.)

consecutive years, are provided in the Report on Corporate Governance annexed to this Report.

It may be noted that the due date for transfer of the Unpaid/Unclaimed Dividend lying in the Unpaid Dividend Account of the Company for the FY 2014-15, which was declared on 19 August 2015, to IEPF is 20 September 2022. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to IEPF i.e. in case any dividend is claimed for any year during the said period of seven consecutive years, the shares shall not be transferred to IEPF.

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 will be published in the newspapers viz 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 will also send 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 and their immediate relatives.

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 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. https://www.lumaxworld.in/lumaxindustries/pdf/code-of-conduct_SEBI-egulations-2015.pdf.

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: Gurugram
Dated: 24 May 2022

Management Discussion & Analysis

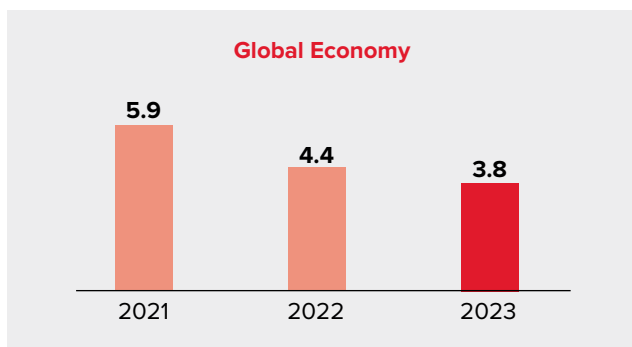
ANNEXURE - A

Economic Review

Global Economy

The global GDP is expected to grow by 4.4% in 2022, a downtick from the 5.9% growth projection made in 2021. With the ebbing of COVID-19 pandemic, the economy is expected to maintain a healthy growth pace in 2022. The global economy, in the absence of most pandemic-related restrictions, ended on a strong note with an accelerated economic performance towards the end of FY 2020-21. However, with the pandemic continuing, the global recovery faces multiple challenges. The rapid spread of Omicron and Delta variants resulted in renewed mobility restrictions in many countries, increasing labor shortages. Supply disruptions continued hampering activities across various channels, contributing to higher inflation. This resulted in additional pressures amid increased demand, and food and energy prices. Moreover, record-breaking debt, and rising inflation, also continued constraining the ability of many countries to address these renewed disruptions. Adding to this, heightening geopolitical tensions and ongoing climate emergency are expected to further aggravate the anticipated global risks.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/01/25/world-economic-outlook-update-january-2022>)



(Source: IMF)

Indian Economy

With an expected growth rate of 8.9% in FY 2021-22, India's GDP is likely to be 1.8% more than what it was in FY 2019-20. The Indian economic activity is gradually gaining strength and momentum and is poised for a rebound as it emerges out of the less virulent third wave. As the Government and the people finally start adapting to 'living with the pandemic' in the new normal, high frequency indicators show that India's economy is on its way to growing above 9% – projected in the country's advance estimates for the current year. The Reserve Bank of India (RBI) maintained its accommodative stance throughout the year, alongside the lowest ever interest rates in a bid to support the beginning recovery. The resultant high liquidity, coupled with supply chain issues, led to soaring input

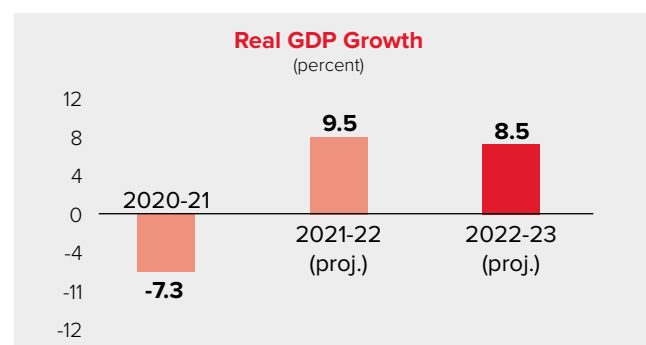
costs and pinching inflation. Demand for energy however, remained resilient with 2.1% increase in power consumption during January and 1.1% growth in the corresponding month of the previous year. Therefore, reflecting a weaker impact of the Omicron spread on the economic activity.

(Source: <https://dea.gov.in/monthly-economic-report-table>)

Outlook

The real GDP growth of 9.5%, estimated for FY 2021-22, is likely to be realized provided the economy's full recovery with a real GDP level of FY 2019-20. Overall, the economic activity remained resilient amid the third wave, as India marched towards steady progress amid the virus-based constraints. This is reflected in the robust performance such as power consumption, PMI manufacturing, exports, e-way bill generation, and more. Rapid pace of vaccination further bolstered confidence. Moving ahead Russia's invasion on Ukraine and economic sanctions imposed resulted rapid translation of escalated energy costs, supply-chain disruptions and record high inflation rates. The crude oil price spiked at an average of USD 85 per barrel against USD 70.44 in FY 2020-21. Additionally, the Union Budget for FY 2022-23 indicates commitment towards asset creation (public infrastructure development) will invigorate the virtuous cycle of investment and crowd in private investment with large multiplier effects, augmenting inclusive and sustainable growth. Once the uncertainty and anxiety caused by the COVID-19 virus and recent geopolitical tensions recedes from people's mind, consumption is expected to pick up pace. The demand revival thereon will facilitate the private sector stepping in with investments to augment production to meet the rising demand. Barring external shocks – geo-political and economic disruptions – this scenario is expected to play out well for the Indian economy in FY 2022-23.

(Source: <https://dea.gov.in/monthly-economic-report-table>, <https://economictimes.indiatimes.com/news/economy/indicators/international-monetary-fund-retains-indias-9-5-growth-forecast/articleshow/86968181.cms?from=mdr>)



(Source: IMF)

Annexure - A (Contd.)

Indian Automotive Industry

FY 2020-21 was among the most challenging years in the Indian Automotive industry's history with the outbreak of COVID-19 putting a spanner in the works. This brought the Automobile industry – already facing headwinds of a slowing down economy – to a standstill with the nationwide lockdown in April 2020. As a consequence of these market conditions, all vehicle segments retrogressed by 5-6 years in terms of production and sales levels.

The various lockdowns imposed by the Indian Government in the early half of 2021 affected India significantly. However, it also recorded a robust comeback in June 2021. With the rural and urban demand there was an increase in the domestic dispatches across all vehicle segments, including passenger vehicles, two-wheelers, tractors, and commercial vehicles.

Companies that managed to penetrate the rural markets recorded the strongest recovery. At the same time, the shortage of containers and high freight charges affected transportation of components. When compared to pre-COVID sales during the second wave, the passenger vehicles segment recovered the most, followed by tractors, two-wheelers and commercial vehicles. OEMs reduced dealer inventories and linked production with enough inventories to meet customer demand supporting the dealers and channel partners. Going ahead, the Indian Automotive industry – in its post pandemic recovery phase is anticipated to register strong growth in FY 2022-23.

Segment-wise Annual Domestic Automobile Sales

Segment	April-March (Nos. in Thousands)				CAGR %
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	
PVs	3,377	2,774	2,711	3,069	(3%)
CVs	1,007	718	569	716	(11%)
3Ws	701	637	216	261	(28%)
2Ws	21,180	17,416	15,119	13,466	(14%)

Source: SIAM

Indian Automotive Component Industry

The Indian Automotive Component industry stood at USD 46 Billion in FY 2020-21 and is anticipated to grow to USD 200 Billion by FY 2025-26. This growth is attributed to increased localization of OEM components in the country. As per Automotive Component Manufacturers Association of India (ACMA), automobile components export from India is expected to reach USD 80 Billion by FY 2025-26. Strong international demand and resurgence in the local original equipment and aftermarket segments, (including tyre, battery, brake components), are projected to prop up the Indian auto component industry's growth further.

(Source: IBEF).

Government's PLI scheme of ₹ 25,938 Crores for Automobile and Auto Components industry will boost the growth for automotive industry. The changing dynamic business environment, changing demands like electric vehicles and hybrid cars are bringing newer verticals and opportunities for the auto-component manufacturers. While EV charging stations in the country stands at 1,800, the country is expected to require 4,00,000 for 2 Million EV by 2026, thereby creating opportunities for other allied industries.

(Source: <https://www.investindia.gov.in/sector/auto-components>, https://www.business-standard.com/article/automobile/india-to-require-400-000-charging-stations-for-2-mn-evs-by-2026-report-121061200880_1.html)

Indian Automotive Lighting Industry

As one of the key components in automotive vehicles, lighting is among the most crucial elements for ensuring automotive safety. Premium quality lighting on the vehicles are beneficial for increasing visibility in dark, bad weather conditions and reducing probability of road accidents. With the Regulatory Authorities, spreading awareness on safe driving through various initiatives, the automotive lighting – as an important factor – is gaining traction. The Indian Automotive Lighting industry offers a wide range of products, such as head lights, rear lights, accessory lights, LEDs, fog lights, emergency and warning lights, off-road lights, and signal lights, in contemporary vehicles. Along with safety measures, the automotive lighting systems also enhances the aesthetics of both interior and exterior of the vehicles.

The Indian Automotive Lighting industry witnessed significant growth on account of increased automotive sales and economic growth. Additionally, factors like rising population and vehicle safety concerns, triggered by Government regulations, are driving the industry.

The Auto Component industry, in spite of the third wave of pandemic, remains optimistic. India is emerging as a global hub for auto component sourcing and the industry exports over 25% of its production annually (Source: IBEF). While the auto component exports are expected to grow at 23.9% annually it is estimated to reach USD 80 Billion by 2026. (Source: IBEF). The investments from FDI received during July-September 2021 stood at USD 19.77 Billion (Source: <https://www.ibef.org/economy/foreign-direct-investment>) is a testimony of its emergence as a global player. Moreover, increased focus on deep localization in the Auto Industry and the recent announcements of PLI schemes on Advanced Chemistry Cell (ACC) Batteries and Auto & Auto Components will facilitate creation of state-of-the-art automotive value chain. Thereby, helping India develop into an attractive alternate source of high-end auto components.

Annexure - A (Contd.)

Key Growth Drivers

Government support

Aiming at increasing the contribution from the automobile sector to India's GDP to 12% from the present 7.1% and grow employment generation to 50 Million from the current 37 Million, (Source: https://www.business-standard.com/article/automobile/govt-aims-to-raise-auto-sector-contribution-to-gdp-job-creation-gadkari-121082501375_1.html#:~:text=The%20government%20looks%20to%20increase%20the%20contribution%20of%20the%20automobile,Nitin%20Gadkari%20said%20on%20Wednesday) the Government is making constant strides and the recent reforms are helping the sector perform better in shaping the future prospects.

Growth in EV Market

India's EV ambitions are gaining strong momentum with robust growth in demand and on-ground traction. The government's efforts towards increasing EV adoption by setting up an EV financing ecosystem and charging infrastructure is aiding India's EV market prospects. All these factors are contributing to make EV market mature faster in India, which in a way is supporting overall India's auto component market.

Opportunities

Growing Emphasis towards Road Safety

India ranks first in the number of road accident deaths across the 199 countries and accounts for almost 11% of the accident-related deaths in the World and this becoming a major concern, owing to heavy traffic, poor weather conditions, irresponsible or rash driving. This in turn has increased demand for safety features and adaptive lighting systems.

Moreover, the adoption of intelligent, high-resolution LED headlights allow the driver to take conceivable bend on the road with the aid of sensors to illuminate oncoming traffic. This leads to an essential contribution towards safe driving, reduction in accidents and related risks, especially while driving at night and bad weather conditions. Thus, huge investments by automotive manufacturers in R&D and innovation to develop automotive lighting systems that are compatible with driver assistance systems and proximity sensors increase the demand for automotive lighting systems in the market.

Increase in Demand for Advanced Technologies in Vehicles

The Automotive industry is thriving as a result of rapid development and innovation, alongside an increased passenger vehicle demand and production around the world. This has enabled vehicle makers to create and incorporate cutting-edge lighting components into vehicle model. Matrix LED, OLED, and laser lighting are some of the new and sophisticated lighting technologies available to car lighting

makers, with the goal of making lighting more valuable, safe, and gratifying for customers. Furthermore, the advancement and integration of adaptive lighting with advanced driver assistance systems (ADAS) in impending driverless vehicles allows vehicle-to-vehicle communication and reduces the number of road collisions.

Threats

Economic Factors

Economic factors are perhaps the most crucial factors affecting car sales. They include inflation, rising costs, interest rates, unemployment rates, Gross Domestic Product (GDP), disposable income, and exchange rates. All of these play an important role in determining the number of car sales in a country. This, in turn, also determine the performance of various other industries linked to the Automobile industry, including plastics, steel, aluminum, rubber, computer chips, and more.

Disrupted supply chain

The onset of COVID-19 brought about an immediate halt in current production, disrupting supply chains the world over. The recent semiconductor shortage has bought the whole industry to a standstill. With the increased electrification in automobiles, the demand for semiconductors is rising. This disruption is impacting the overall vehicle manufacturing and sales cycle leaving a cascading effect over the whole supply chain.

Business Overview

Lumax Industries Limited ('The Company' or 'Lumax'), a flagship Company of DK Jain Group, is one of India's leading automotive lighting supplier. It is one of the most experienced players in the Automotive Lighting industry and offers wide array of products comprising automotive lighting systems such as complete Lighting module – Front & Rear, LED Lamps, sundry, auxiliary lamps. The Company has 38 years of strong partnership with Stanley Electric Co. Limited (SECL), Japan – a world leader in vehicle lighting and illumination products. Lumax has 11 ultra-modern manufacturing plants spread across five states in India, strategically located near manufacturing locations of major OEMs.

Operational and Financial Review

Standalone

On standalone basis, the revenue from operations during the Financial year 2021-22 stood at ₹ 1,75,131.10 Lakhs as compared to ₹ 1,42,598.07 Lakhs in the last year registering a growth of 23%.

Annexure - A (Contd.)

For the Financial Year 2021-22, the profit before exceptional items and income tax stood at ₹ 6,328.70 Lakhs as compared to ₹ 3,151.98 Lakhs in the last year witnessing a significant increase of 101%. The PBT after exceptional items stood at ₹ 4,614.75 Lakhs as compared to ₹ 3,151.98 Lakhs in the last year registering an increase of 46%. The Profit after Tax (PAT) stood at ₹ 3,543.37 Lakhs as compared to ₹ 1,703.85 Lakhs registering a significant increase of 108%. The Total Comprehensive Income increased to ₹ 3,211.23 Lakhs as against ₹ 1,830.39 Lakhs in the last year registering an increase of 75%. The Basic and Diluted Earnings per share stood at ₹ 37.91 registering a significant increase of 108%.

Consolidated

For the Financial Year 2021-22 on consolidated basis, the profit before exceptional items, income tax and share in profit of

associate stood at ₹ 6,328.70 Lakhs as compared to ₹ 3,151.98 Lakhs in the previous year witnessing a significant increase of 101%. The PBT after exceptional items and share in profit of associate stood at ₹ 5,281.93 Lakhs as compared to ₹ 3,306.07 Lakhs in the last year registering an increase of 60%. The Profit after Tax (PAT) stood at ₹ 4,072.47 Lakhs as compared to ₹ 1,815.23 Lakhs registering a significant increase of 124%. The Total Comprehensive Income increased to ₹ 3,785.45 Lakhs as against ₹ 1,957.35 Lakhs in the last year registering an increase of 93%. The Basic and Diluted Earnings per share stood at ₹ 43.57 registering a significant increase of 124%.

Details of Key Financial Ratios

Please refer Note 33 of the Notes to the Standalone Financial Statements for the year ended 31 March 2022.

Risk Management

The Company strives to identify business risks and implements risk control measures thereon. The Company conducts risk management activities aimed at minimizing the impact of any damage that might materialize.

Risk	Impact	Mitigation
Uncertain economic conditions	Changes in the social, geopolitical, legal or economic environment, within or outside the country, could hamper the Company's regular operations or business expansion plans.	The risk has been mitigated by careful observation of the developments in relevant business environment. Thereon, taking proactive measures in terms of changes in strategies to protect the Company's interest.
Technology risk	The automotive industry is undergoing massive transformation driven by industry 4.0 and continued digitization of the entire value chain so the newer transformations has its own risks.	The Company takes various measures to address the industry trends. It focuses on the development and adoption of new technologies and offerings, improving its efficiency. Thereon, safeguarding and further expanding its market position.
Procurement risk	Procurement risks arise mainly due to price fluctuations in raw materials and the ability of suppliers to deliver quality products on time. Adverse fluctuations in market prices and/or supplier's financial distress could have an impact on the Company's financial position and earnings.	The Company's purchasing function ensures optimal supply of goods and services to the Company, while also focusing on the quality, cost, and delivery performance. Alternate sources were identified and focus on localization was made to mitigate the risks. Throughout its business, the Company had been impacted in some way by the global pandemic. The Company dealt efficiently with global semiconductor shortage that was accelerated by COVID-19. The Company made changes to the supply chain so that it is flexible, adaptable and faster to react when problems arise.

Annexure - A (Contd.)

Risk	Impact	Mitigation
Intense competition risk	The Automotive Supply industry is highly competitive already and continues growing even more competitive. Rise in competition could negatively impact the Company's market share, margin profile, and return on capital employed.	Being the market leader, the technological expertise, long-standing strategic alliances, and customer relationships, early involvement with customer for design & development solutions help the Company to mitigate this risk.
Currency risk	2.15% of the total revenue comes from exports and 16% of the total purchase are from imports.	The Company mitigates this risk by means of robust foreign exchange hedge mechanism and systems besides compensation from the customers.
Customer concentration risk	Top 4 customers account for 60% of total revenue. So, if the Company doesn't receive regular orders then it might impact the revenue adversely.	The Company mitigates this risk by strengthening customer relationships, increasing wallet share, robust order book and adding new clients.
Labor disputes risk	Industrial disputes lead to industrial action, which impacts the Company's ability to meet stakeholder demands.	The Company maintains an open and positive relationship with all employees, unions, subcontractors, workers, and others with constant, continuous and transparent communication.

Human Resources

The Company firmly believes human capital is its biggest asset and essential for driving success. The Company strives to ensure safe and engaging work environment while enhancing productivity. The Company continues to invest in its people, building their capability, sharpening their expertise and nurturing the spirit of leadership through relevant learning and development programs focused on effective professional and personal productivity.

The Management believes in teamwork and a conducive environment that is self-motivating. It also aims to strengthen its corporate capabilities in a way that reflects the high respect it has for each employee and their diversity.

The HR policies are centered around creating an environment that attracts, nurtures, and rewards high-caliber talent. As on 31 March 2022, a total of 2,281 employees were on the Company's payroll.

Internal Control Systems and its 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 assure 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.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing Company's projections, estimates and expectations may be interpreted as 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets in which the Company 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.

[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. Company’s actions are governed by its values and principles, which are reinforced at all levels within the Company. The Company is committed in doing things the right way which means taking business decisions and acting in a way that is ethical and in compliance with applicable legislations.

The Company considers stakeholders as partners in its success and is committed to maximizing stakeholders’ value, be it shareholders, employees, customers, vendors, governments or the community at large. The Company believes 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.

The Company’s Corporate Governance system provides a fundamental framework to execute its business in line with business ethics. The Company’s corporate governance framework ensures that it makes timely disclosures and share accurate information regarding Company’s financials and performance, as well as disclosures related to the leadership and governance of the Company. The Company 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.

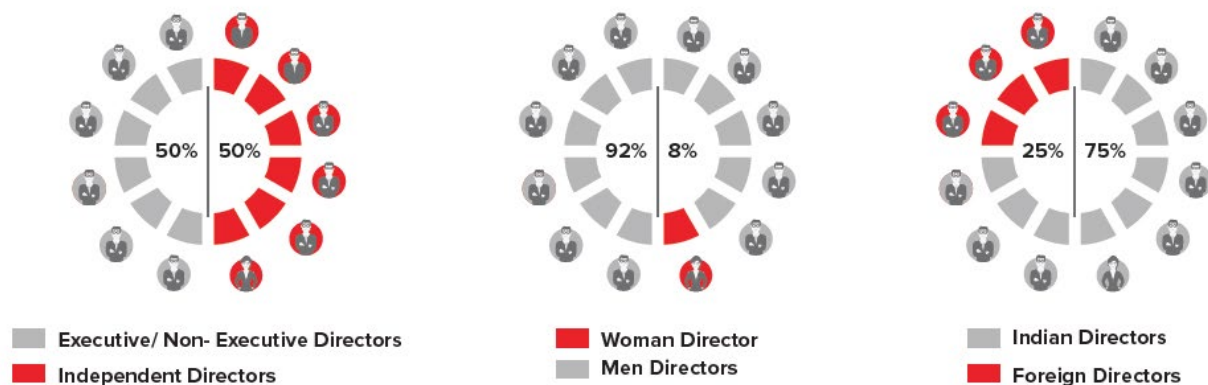
2. BOARD OF DIRECTORS (“BOARD”)

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

The Board of the Company has an optimum combination of Executive and Non-Executive Directors. The Board members have in-depth knowledge of Business, in addition to the expertise in their areas of specialization.



Annexure - B (Contd.)

As on 31 March 2022, there are twelve (12) Directors on the Board of the Company, 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 Securities and Exchange Board of India (SEBI) regulates corporate governance for listed companies through listing Regulations which mandate the following:

- For a company with an executive chairman, at least half of the board shall consist of independent directors: **Complied**
- The Board of directors of the top 1000 listed entities shall have at least one independent woman director: **Complied**

The Composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as Section 149 of the Companies Act, 2013 read with the Rules issued thereunder and is explained as below for the sake of simplicity:

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	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 ¹	Independent Director
11.	Mrs Ritika Modi	Independent Director
12.	Mr Vikrampati Singhania	Independent Director

Note:

1. As tenure of Mr Rajeev Kapoor was till 12 May 2022, the Company obtained the approval for the reappointment for further term of 5 years from the shareholders by way of Special resolution through postal ballot during the FY 2021-2022 for which the voting results were declared on 26 March 2022.

Furthermore, detailed profile of the Directors is available on Company's website at <https://www.lumaxworld.in/lumaxindustries/board-of-directors.html>. And the terms and conditions of appointment of Independent Directors are also hosted on the website of the Company at <https://www.lumaxworld.in/lumaxindustries>

Role of Chairman and Managing Director ("CMD")

Mr Deepak Jain, 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. He actively oversees the functioning of the Company, supervise and support the Chief Officers & Senior Team and ensures that all the matters needed to be considered by the Board are in fact brought before it and provides Board members with the opportunity to represent their views and also understands & respects their views.

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.

Annexure - B (Contd.)

Independent Directors

The Company has on its Board, eminent Independent Directors who 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 the rules made thereunder 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 neither any 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.

Details of other Directorships and Chairmanship/Membership of Committees of each Director in various Companies for the financial year ending on 31 March 2022 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	4	2	3	1	<ul style="list-style-type: none"> Lumax Auto Technologies Limited (Non-Executive Director) RSWM Limited (Non-Executive Independent Director) Talbro's Automotive Components 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	-

Annexure - B (Contd.)

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
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 Singhanian	00040659	Independent Director	3	2	1	0	<ul style="list-style-type: none"> JK Agri Genetics Limited (Managing Director) Transport Corporation of India Limited (Independent Director)

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

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 Singhanian	Not related to any Director

Annexure - B (Contd.)

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.

Further, the Skill Matrix is given below:

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

Annexure - B (Contd.)

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
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

YES - Y No - N

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

As no Independent Director has resigned from the Board of the Company during the year, the said regulation doesn't apply to the Company.

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

During the FY 2021-22, none of the Non-Executive Directors were holding any shares or convertible instruments 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. Moreover, the Company generally provide its Directors the option to attend the meeting through Video Conferencing. Furthermore, all the necessary information and documents as required under Regulation 17(7) read with Schedule II 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 (and in no case the gap between 2 meetings of the Board remains more than 120 days), inter-alia, to review the quarterly performance and approve the financial results.

During the FY 2021-2022, 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 Agenda for the Meetings of the Board and its Committees were circulated well in advance and 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 Agenda, notes to Agenda for Board/Committee Meetings to its Directors/Committee Members through an electronic platform thereby ensuring high standards of security and confidentiality of Board papers.

Annexure - B (Contd.)

Attendance Record of Directors at Board Meetings & previous AGM

During the financial year under review, the Board met Five (5) times and the Attendance Record of Directors in Board Meeting and AGM for the financial year are tabulated below:

S. No.	Names of Directors	Board Meetings					AGM
		7 May 2021	11 June 2021	6 August 2021	12 November 2021	11 February 2022	31 August 2021
1.	Mr Deepak Jain	🖥️	🖥️	🖥️	🖥️	🖥️	🖥️
2.	Mr Anmol Jain	🖥️	🖥️	🖥️	🖥️	🖥️	🖥️
3.	Mr Vineet Sahni	🖥️	🖥️	🖥️	🖥️	×	🖥️
4.	Mr Tadayoshi Aoki	🖥️	🖥️	🖥️	🖥️	🖥️	🖥️
5.	Mr Kenjiro Nakazono	×	🖥️	🖥️	🖥️	🖥️	🖥️
6.	Mr Toru Tanabe	×	🖥️	🖥️	×	×	×
7.	Mr Avinash Parkash Gandhi	🖥️	🖥️	🖥️	🖥️	🖥️	🖥️
8.	Mr Dhiraj Dhar Gupta	×	🖥️	🖥️	🖥️	🖥️	🖥️
9.	Mr Rattan Kapur	🖥️	🖥️	🖥️	🖥️	🖥️	🖥️
10.	Mr Rajeev Kapoor	🖥️	🖥️	🖥️	×	🖥️	×
11.	Mrs Ritika Modi	🖥️	🖥️	🖥️	🖥️	🖥️	🖥️
12.	Mr Vikrampati Singhania	🖥️	🖥️	🖥️	🖥️	🖥️	🖥️

✓ Present × Absent 🖥️ Attended through Video Conferencing

Number of Board Meetings held and the dates on which held

The Board met Five (5) times during the FY 2021-22. The intervening period between two Board Meetings was well within the maximum time gap of 120 days, as prescribed under the Act and the Listing Regulations. The dates on which Board Meetings were held during the year were as under:-

S. No.	Date of Board Meeting	Board's Strength	No. of Directors Present
1.	7 May 2021	12	09
2.	11 June 2021	12	12
3.	6 August 2021	12	12
4.	12 November 2021	12	10
5.	11 February 2022	12	10

Meeting of Independent Directors

In accordance with Section 149 (7) of the Act read with Para VII (1) 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 24 February 2022, 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.

Annexure - B (Contd.)

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 hereunder:

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

Web link where Secretarial Compliance Report as per sub-regulation (2) of regulation 24A of the Listing Regulations is disclosed

Pursuant to 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 (M. No.: F 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.

The Annual Secretarial Compliance Report of the Company is available on the website of the Company and the web link of the same is provided hereunder: <https://www.lumaxworld.in/lumaxindustries/pdf/annual-secretarial-compliance-report.pdf>

4. COMMITTEES OF THE BOARD

As on 31 March 2022, the Company has five (5) statutory committees which have been mandated under the provisions of Companies Act, 2013 and/or the 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 subsection (3) of Section 134 of the Act;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;

Annexure - B (Contd.)

- (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 ₹ 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 listed entity 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; and
 - (v) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.
 - (vi) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Annexure - B (Contd.)

Composition, Name of Members and Chairperson

As on 31 March 2022, the Audit Committee comprised of Six (6) Members including Four (4) Non-Executive Independent Directors. The Non Executive Independent Director acts as a Chairman of the Committee. The Composition of the Audit Committee on 31 March 2022 was as follows:

S. No.	Name	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 2022. The details of Meetings held and attendance of Directors in those Meetings are tabulated as under:

S. No.	Name of Directors	Audit Committee Meetings						Number of Meetings Attended
		7 May 2021	11 June 2021	6 August 2021	12 November 2021	11 February 2022	24 February 2022	
1.	Mr Avinash Parkash Gandhi	📺	📺	📺	📺	📺	📺	6
2.	Mr Dhiraj Dhar Gupta	×	📺	📺	📺	📺	📺	5
3.	Mr Rattan Kapur	📺	📺	📺	📺	📺	📺	6
4.	Mr Rajeev Kapoor	📺	📺	📺	×	📺	📺	5
5.	Mr Deepak Jain	📺	📺	📺	📺	📺	×	5
6.	Mr Tadayoshi Aoki	📺	📺	📺	📺	📺	×	5

✓ Present × Absent 📺 Attended through Video Conferencing

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) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- (iii) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

Annexure - B (Contd.)

- (iv) Devising a policy on diversity of Board of Directors;
- (v) 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.
- (vi) 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.
- (vii) Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- (viii) 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 2022 is given as below:

S. No.	Name of 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 Three (3) times during the FY 2021-22.

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

S. No.	Name of Directors	Details of Meetings Held			No. of Meetings Attended
		11 June 2021	12 November 2021	11 February 2022	
1.	Mr Rattan Kapur	📺	📺	📺	3
2.	Mr Avinash Parkash Gandhi	📺	📺	📺	3
3.	Mr Dhiraj Dhar Gupta	📺	📺	📺	3

✓ Present × Absent 📺 Attended through Video Conferencing

Performance evaluation of Board including Independent Directors, 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.

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 assisting 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.

Annexure - B (Contd.)

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/issuance of letter of confirmation 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/Letter of confirmation, 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 2022 are given as below:

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

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	Name of Directors		
		Mr Dhiraj Dhar Gupta	Mr Deepak Jain	Mr Tadayoshi Aoki
1.	12 April 2021	✓	✓	×
2.	11 June 2021	☐	☐	☐
3.	19 July 2021	✓	✓	×
4.	6 August 2021	☐	☐	☐
5.	23 October 2021	✓	✓	×
6.	12 November 2021	☐	☐	☐
7.	2 December 2021	✓	✓	×

Annexure - B (Contd.)

S. No.	Details of Meetings Held	Name of Directors		
		Mr Dhiraj Dhar Gupta	Mr Deepak Jain	Mr Tadayoshi Aoki
8.	11 February 2022	🖥️	🖥️	🖥️
9.	14 March 2022	✓	✓	×
10.	31 March 2022	✓	✓	×
No. of Meetings attended		10	10	4

✓ 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 role 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

The Corporate Social Responsibility Committee comprises of Three (3) Members out of which one member is an Independent Director.

The Chairman of the Committee is the Chairman and Managing Director of the Company. The Composition of the Corporate Social Responsibility Committee as on 31 March 2022 is given as below:

S. No.	Name of 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

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 Directors	Date of Meeting held	
		11 June 2021	11 February 2022
1.	Mr Deepak Jain	🖥️	🖥️
2.	Mr Avinash Parkash Gandhi	🖥️	🖥️
3.	Mr Anmol Jain	🖥️	🖥️

✓ Present × Absent 🖥️ Attended through Video Conferencing

RISK MANAGEMENT COMMITTEE

The Company as a part of Good Corporate Governance Practice had already constituted the Risk Management Committee.

However, pursuant to the Listing Regulations amendment dated 5 May 2021, it became mandatory for Top 1000 Listed entities to formulate the Risk Management Committee comprising of directors, senior executives of the Company with at least one independent director and Chairperson shall be a member of Board.

In view of the said amendment, the Risk Management Committee was duly re-constituted by Board w.e.f. 6 August 2021 pursuant to the requirement of Regulation 21 of the Listing Regulations and its terms of reference is in compliance with the governing provisions of the Listing Regulations. The role of the Risk Management Committee is in line with those specified in Part D of the Schedule II of the Listing Regulations and is as follows:

Annexure - B (Contd.)

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

The Risk Management Committee coordinates its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

The Risk Management Policy of the Company is available at <https://www.lumaxworld.in/lumaxindustries/pdf/risk-management-policy-lil.pdf>.







Composition, Name of Members and Chairperson

The Risk Management Committee comprises of Four (4) Members out of which 3 members are the Directors of the Company including one (1) Independent Director and the Chief Financial officer of the Company. The Chairman of the Committee is the Chairman and Managing Director of the Company. The Composition of the Risk Management Committee as on 31 March 2022 is given as below:

S. No.	Name of Members	Status	Category of Membership
1.	Mr Deepak Jain	Chairman	Chairman & Managing Director
2.	Mr Avinash Parkash Gandhi	Member	Non-Executive Independent Director
3.	Mr Vineet Sahni	Member	CEO & Senior Executive Director
4.	Mr Shruti Kant Rustagi	Member	CFO

Meetings and Attendance

During the financial year under review Two (2) Meetings of Risk Management Committee were held. The attendance record of Directors is as follows:

S. No.	Name of Members	Date of Meetings held	
		12 November 2021	11 February 2022
1.	Mr Deepak Jain		
2.	Mr Avinash Parkash Gandhi		
3.	Mr Vineet Sahni		x
4.	Mr Shruti Kant Rustagi	✓	

✓ Present x Absent  Attended through Video Conferencing

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 2021-22 except for the Sitting Fees paid/payable to them for attending the meetings of the Board/Committees of Directors.

Annexure - B (Contd.)

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. <https://www.lumaxworld.in/lumaxindustries/pdf/remuneration-criteria-for-non-executive-director.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 2022 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	72.00	48.00	15.84	341.36	477.20
2.	Mr Anmol Jain	31.20	15.60	6.86	75.67	129.33
3.	Mr Vineet Sahni	118.91	180.55	38.05	70.97	408.48
4.	Mr Tadayoshi Aoki	2.88	14.87	0.00	0.00	17.75
5.	Mr Kenjiro Nakazono	2.88	16.23	0.00	0.00	19.11

Payments made to Non-Executive Independent Directors

Details of payments made in form of Sitting Fees for attending Board Meetings and Committee Meetings, to the Independent Directors during the financial year ended 31 March 2022 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	Risk Management Committee Meetings	Total
1.	Mr Avinash Parkash Gandhi	4.00	2.40	0.60	0.40	0.40	NA	0.40	8.20
2.	Mr Dhiraj Dhar Gupta	3.20	2.00	0.60	NA	0.40	2.00	NA	8.20
3.	Mr Rattan Kapur	4.00	2.40	0.60	NA	0.40	NA	NA	7.40
4.	Mr Rajeev Kapoor	3.20	2.00	NA	NA	0.40	NA	NA	5.60
5.	Mrs Ritika Modi	4.00	NA	NA	NA	0.40	NA	NA	4.40
6.	Mr Vikrampati Singhania	4.00	NA	NA	NA	0.40	NA	NA	4.40

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 Director during the FY 2021-22.

Annexure - B (Contd.)

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
2018-2019	23 August 2019	10:30 A.M.	Air Force Auditorium, Subroto Park, New Delhi- 110010
2019-2020	28 August 2020	10:30 A.M.	2nd Floor, Harbans Bhawan - II, Commercial Complex, Nangal Raya, New Delhi - 110046 (through Video Conferencing)
2020-2021	31 August 2021	10:30 A.M.	2nd 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 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 Annual General Meeting held on 28 August 2020.

AGM held on 31 August 2021

- Regularization of Mr Vikrampati Singhania (DIN: 00040659) as a Director and appointment as a Non Executive Independent Director of the Company to hold office for 5 consecutive years.

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 the payment of minimum remuneration to Mr Vineet Sahni (DIN: 03616096) Senior Executive Director – Whole Time Director and CEO (Key Managerial Personnel).
- Approval for the payment of minimum remuneration to Mr Kenjiro Nakazono (DIN: 08753913) Executive Director – Whole Time Director (Key Managerial Personnel).
- Re-appointment of Mr Rajeev Kapoor (DIN: 02051466) as an Independent Director for Second Term of 5 Years.

Annexure - B (Contd.)

Date of Notice of Postal Ballot: 11 February 2022

Voting Period: Thursday, 24 February 2022 at 09:00 a.m. (IST) to Friday, 25 March 2022 at 05:00 p.m. (IST)

Date of Declaration of Result: 26 March 2022

Date of Approval: 25 March 2022

A summary of the voting pattern is as follows:

Item No.	Special Resolution	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
1	Approval for the payment of Minimum Remuneration to Mr Vineet Sahni (DIN: 03616096) Senior Executive Director – Whole Time Director and CEO (Key Managerial Personnel)	71,11,835	70,97,006	14,829	99.7915	0.2085
2	Approval for the payment of minimum remuneration to Mr Kenjiro Nakazono (DIN: 08753913) Executive Director- Whole Time Director (Key Managerial Personnel)	1,01,037	1,00,214	823	99.1854	0.8146
3	Re-appointment of Mr Rajeev Kapoor (DIN: 02051466) as an Independent Director for second term of 5 years.	71,11,817	71,11,186	631	99.9911	0.0089

Person who conducted the Postal Ballot exercise

Mr Maneesh Gupta, Practicing Company Secretary, FCS No. 4982 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 is no Special Resolution 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 to the Shareholders on 21 February 2022 whose names appeared in the register of shareholders/ list of beneficiaries as on cut-off date i.e. 11 February 2022. 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 Limited (formerly known as KFin Technologies Private Limited) for the purpose of providing remote e-voting facility. The Shareholders had the option to vote by e- voting.

The Scrutinizer submitted his report on 26 March 2022, in the absence of the Chairman, to Mr Pankaj Mahendru, Company Secretary and the results of the voting by means of Postal Ballot were announced on 26 March 2022 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/lilpbresults26032022.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>.

Annexure - B (Contd.)

Details of Ordinary Resolution passed last year through Postal Ballot

The details pertaining to conducting of Postal Ballot during the FY 2021-22 and Ordinary Resolution passed thereat are as follows:

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

Date of Notice of Postal Ballot: 12 November 2021

Voting Period: Monday, 29 November 2021 at 09:00 a.m. (IST) to Tuesday, 28 December 2021 05:00 p.m. (IST)

Date of Declaration of Result: 29 December 2021

Date of Approval: 28 December 2021

A summary of the voting pattern is as follows:

Item No.	Special Resolution	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
1	Approval of Material Related Party Transactions with Lumax Auto Technologies Limited	98,261	98,188	73	99.9257	0.0743

Person who conducted the Postal Ballot exercise

Mr Maneesh Gupta, Practicing Company Secretary, FCS No. 4982 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.

Ordinary Resolution proposed through Postal Ballot

There is no Ordinary Resolution 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 to the Shareholders on 27 November 2021 whose names appeared in the register of shareholders/ list of beneficiaries as on cut-off date i.e. 19 November 2021. 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 Limited (formerly known as KFin Technologies Private Limited) for the purpose of providing remote e-voting facility. The Shareholders had the option to vote by e-voting.

The Scrutinizer submitted his report on 29 December 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 29 December 2021 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/lilpostalballotresultandoutcome29122021.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, <https://www.lumaxworld.in/lumaxindustries/index.html> 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 etc.

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.

Annexure - B (Contd.)

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

NSE Electronic Application Processing System (NEAPS) & NSE Digital Portal

The NEAPS & NSE Digital Portal are a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases etc. are also filed electronically on NEAPS or NSE Digital Portal.

Reminders/Correspondences with Investors

The periodical reminders 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 Shareholders in electronic form.

8. General Shareholders information

Annual General Meeting

The 41st AGM of the Company is scheduled as under:

Date	: 22 July 2022
Day	: Friday
Time	: 11:00 a.m.
Venue	: 2nd Floor, Harbans Bhawan - II, Commercial Complex, Nangal Raya, New Delhi - 110046 [through Video Conferencing or other audio Visual Means (VC/OAVM)]

Financial year : 1 April to 31 March

For the FY 2021-22 Results were announced on:

Approval of Quarterly Results Ended	Dates
30 June 2021	6 August 2021
30 September 2021	12 November 2021
31 December 2021	11 February 2022
31 March 2022 (Audited Annual Accounts)	24 May 2022

Financial Calendar for FY 2022-2023 (Provisional)

Approval of Quarterly Results Ended	Tentative Calendar
30 June 2022	On or before 14 August 2022
30 September 2022	On or before 14 November 2022
31 December 2022	On or before 14 February 2023
31 March 2023 (Audited Annual Accounts)	On or before 30 May 2023

Annexure - B (Contd.)

Dividend & Dividend Payment Date

The Board of Directors have recommended, a Dividend @ ₹ 13.50 (i.e. 135%) per equity share of face value of ₹ 10/- each for the FY 2021-22 which was considered by the Board in its Meeting held on 24 May 2022, for the approval of Shareholders in the ensuing AGM ("AGM").

For Demat Shareholders who have opted for NECS/ECS, Dividend amount of ₹ 13.50/- 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. For others, Dividend Warrants/ Demand Drafts will be posted on or before 20 August 2022 (tentative).

Date of Book Closure : Tuesday, 12 July 2022 to Friday, 22 July 2022 (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 2022-23 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 2021-2022

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 2021-22 are as follows:

MONTH	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (Total Traded Quantity)
April 2021	1,650.00	1,492.35	9,802	1,650.05	1,502.00	65,392
May 2021	1,708.00	1,506.65	9,313	1,683.45	1,505.00	72,561
June 2021	1,820.00	1,510.05	19,842	1,708.95	1,518.40	1,82,062
July 2021	1,550.00	1,451.35	16,112	1,558.00	1,460.90	1,51,386
August 2021	1,653.00	1,372.15	29,836	1,635.00	1,372.20	3,01,029
September 2021	1,535.00	1,420.50	7,852	1,540.00	1,219.50	97,219
October 2021	1,503.10	1,295.10	14,708	1,500.00	1,290.95	96,857
November 2021	1,525.00	1,301.60	11,733	1,524.80	1,303.25	1,38,586
December 2021	1,449.65	1,177.40	12,020	1,445.00	1,175.00	1,09,036
January 2022	1,248.00	1,065.00	56,132	1,249.00	1,072.95	5,35,499
February 2022	1,158.50	960.90	62,328	1,169.95	959.90	1,75,622
March 2022	1,029.00	855.00	35,955	1,016.55	865.00	2,24,215

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

Annexure - B (Contd.)

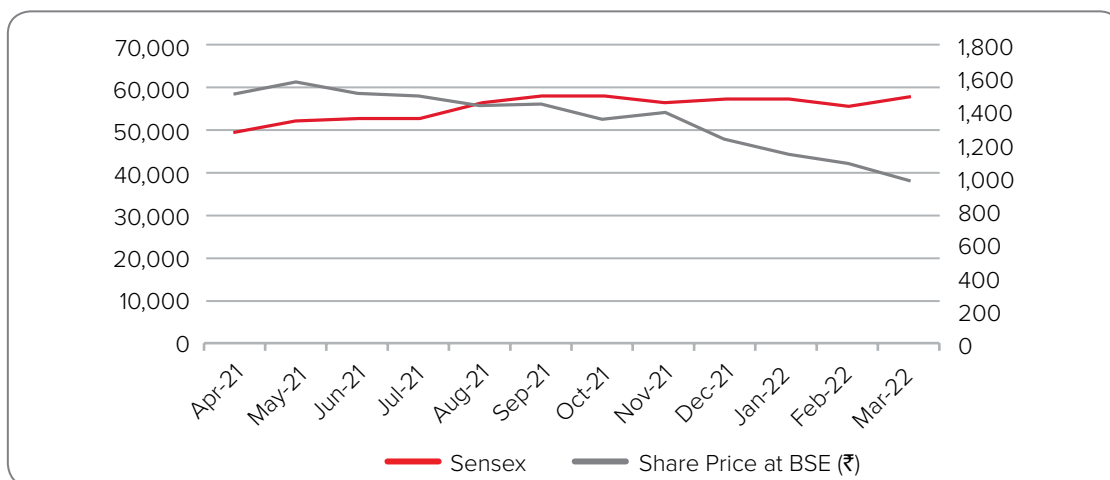
Stock Performance in comparison to broad-based Indices from April 2021 to March 2022 is given below

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 2022:

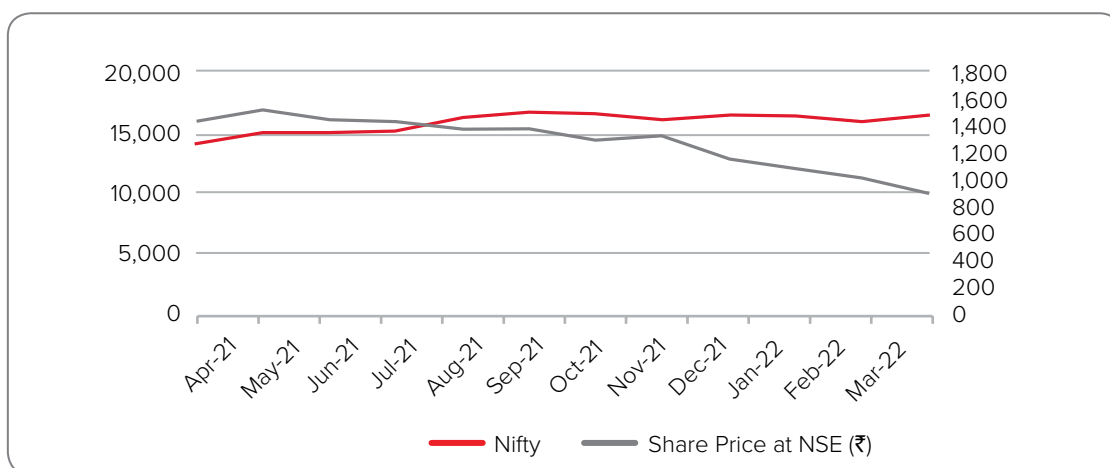
MONTH	Share Price at BSE (₹)	SENSEX	Share Price at NSE (₹)	NIFTY
April 2021	1,521.65	48,782.36	1,521.55	14,631.10
May 2021	1,614.15	51,937.44	1,610.95	15,582.80
June 2021	1,523.40	52,482.71	1,521.55	15,721.50
July 2021	1,512.40	52,586.84	1,516.55	15,763.05
August 2021	1,442.05	57,552.39	1,443.50	17,132.20
September 2021	1,446.80	59,126.36	1,445.55	17,618.15
October 2021	1,341.10	59,306.93	1,346.50	17,671.65
November 2021	1,392.90	57,064.87	1,391.65	16,983.20
December 2021	1,195.55	58,253.82	1,189.10	17,354.05
January 2022	1,093.90	58,014.17	1,092.70	17,339.85
February 2022	1,016.25	56,247.28	1,012.20	16,793.90
March 2022	885.40	58,568.51	887.20	17,464.75

(Source: The aforesaid prices are the closing prices and the same have been 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.)

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 2022.

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

M/s KFin Technologies Limited
(Formerly known as KFin Technologies 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 Limited (Formerly known as KFin Technologies 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.

In terms of the requirements of Regulation 40 of the Listing Regulations, the request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with Depositories. Further, the request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form:

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal/ Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division/Splitting of securities certificate;
- vi. Consolidation of securities certificates/folios;
- vii. Transmission; and
- viii. Transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

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 annually by a Practicing Company Secretary and a certificate to that effect is issued by him.

The Certificate for the FY 2021-22 has been duly filed with the Stock Exchanges.

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 2022:

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 2022

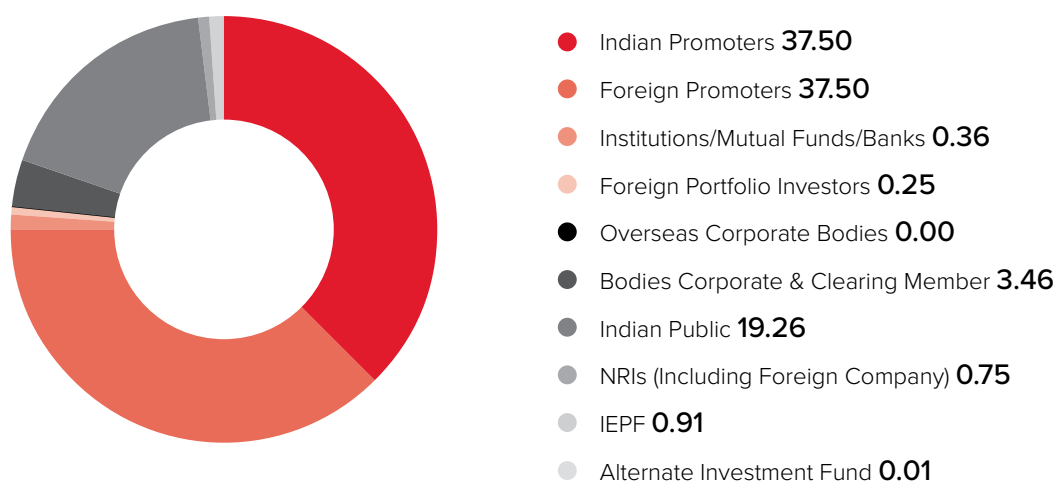
Range of Shares	No. of Shareholders	% of Shareholders	Amount (₹)	% of Equity Capital	
1	5,000	23,462	98.08	1,06,18,410	11.36
5,001	10,000	259	1.08	18,97,790	2.03
10,001	20,000	107	0.45	15,10,040	1.62
20,001	30,000	29	0.12	7,19,210	0.77
30,001	40,000	8	0.03	2,77,320	0.30
40,001	50,000	14	0.06	6,56,250	0.70
50,001	1,00,000	22	0.10	16,01,580	1.71
1,00,001	& above	20	0.08	7,61,96,720	81.51
Total	23,921	100.00	9,34,77,320	100.00	

Annexure - B (Contd.)

Shareholding Pattern as on 31 March 2022

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		
	Institutions/Mutual Funds/Banks	33,642	0.36
	Foreign Portfolio Investors	23,000	0.25
	Overseas Corporate Bodies	80	0.00
	Sub – Total (B3)	56,722	0.61
4.	Non-Institutional Investors		
	Bodies Corporate & Clearing Member	3,23,601	3.46
	Indian Public	18,00,863	19.26
	NRIs (Including Foreign Company)	70,265	0.75
	IEPF	84,941	0.91
	Alternative Investment Fund	542	0.01
	Sub – Total (B4)	22,80,212	24.39
	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 2022 (IN %)



Annexure - B (Contd.)

Dematerialization & Liquidity of Shares as on 31 March 2022

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 share capital
NSDL	85,64,653	91.62
CDSL	6,54,725	7.00
Physical Form	1,28,354	1.38
TOTAL	93,47,732	100.00

Particulars	No. of Shareholders	% of the Total Shareholders
NSDL	10,401	43.48
CDSL	10,662	44.57
Physical Form	2,858	11.95
TOTAL	23,921	100.00

Status of Liquidity

The number of shares of the Company traded in the Stock Exchange for the FY 2021-2022 is given below:

Particulars	BSE	NSE	Total
No of shares Traded	2,85,633	21,49,464	24,35,097
% of Total Equity	3.06%	22.99%	26.05%

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 2022.

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 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 2022

There are total 11 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, District Rewari, Haryana
3	Plot No.6, Industrial Area, Dharuhera, District Rewari, Haryana
4	Plot No. 12, Sector-5, Phase-II, Industrial Estate G.C. Bawal, District Rewari, Haryana
5	Plot No. 51, Sector-11, IIE, Pant Nagar, District 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, District Ahmedabad, Gujarat
10	Plot No. D-2, Vendors Park, Sanand, District Ahmedabad, Gujarat
11	Plot No.69-70 A, Phase-II, Bidadi Industrial Area, Sector-2, Bengaluru, Karnataka

CONTACT DETAILS FOR CORRESPONDENCES

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 Limited
Formerly known as KFin Technologies Private Limited
Unit: Lumax Industries Limited
Kary 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

Annexure - B (Contd.)

Credit Ratings obtained by the Company and any revisions thereto during the financial year, for all debt instrument or any fixed deposit program or any scheme or proposal of the Company 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 program or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31 March 2022. 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 2021-2022 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 – C 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

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 behavior, 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 of the Regulation 27 (1) of 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/policy-document-on-materiality-and-dealing-with-related-party-transactions.pdf>.

Disclosure of commodity price risks, foreign exchange risk and commodity hedging activities

In order to manage the Company's Foreign Exchange

Annexure - B (Contd.)

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 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 2022.

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 (M No.: F 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 24 May 2022. 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 2022 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: 14 April 2022

UDIN: F004982D000107953

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 ₹ 57.26 Lakhs paid by the Company for all the services provided by Statutory Auditor. The break up of same is tabulated as under:

(₹ in Lakhs)

S. No.	Particulars	Fees Paid
Audit Services		
1.	Statutory Audit	23.25
2.	Limited Review	23.25
3.	Tax Audit	3.00
	Sub total	49.50
Non-Audit Services		
1.	Reimbursement of expenses	3.26
2.	Other Services / Certification fee	4.50
	Sub Total	7.76
	TOTAL	57.26

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 during the FY 2021-22 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	-
3.	Number of Complaints pending as on end of the financial year	1

* Received on 25 March 2022.

Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.

The Company has not given any such Loans and advances in the nature of loans to firms/companies in which directors are interested.

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

(i) **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.

(ii) **Shareholder Rights:** Quarterly Financial Statements are published in newspapers and uploaded on Company's website to be accessible by Shareholders.

(iii) **Modified opinion(s) in audit report:** During the year under review, there is no Audit qualifications on the Company's Financial Results. The Company continues to adopt best practices to ensure regime of Unmodified Opinion.

(iv) **Reporting of Internal Auditor:** M/s 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) AND (t) 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) and (t) 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. All Members of the Board and Senior Management

Annexure - B (Contd.)

Personnel have affirmed compliance with the said Code of Conduct for the FY 2021-2022. 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/pdf/Code%20of%20Conduct%20for%20Directors%20and%20Senior%20Management.pdf>.

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

Compliance certificate as required under Schedule V, Part E of the Listing Regulations, 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 2021	115	3,684
Number of Shareholders who approached for issue/transfer of Shares during the year 2021-22	3	650
Number of Shareholders to whom shares were issued/transferred	3	650
Transfer to IEPF	-	-
Aggregate number of Shareholders and the Outstanding shares lying at the end of the year i.e. 31 March 2022	112	3,034

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 3,034 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 the

shares for which Dividend has not been paid/claimed for seven (7) consecutive years 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 2021-22 ₹ 5,04,966/- of unpaid/unclaimed Dividends and 4,080 shares were transferred to the IEPF Authority.

Further, the Unclaimed Dividend for the FY 2014-15 shall become transferable to the IEPF by 20 September 2022. The Company will issue a notice in the newspapers and will also issue the letters to the concerned Shareholders, whose Dividend/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 2014-15 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.

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/pdf/code-of-conduct_SEBI-egulations-2015.pdf under Investor Section.

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

As per the provisions of Section 72 of the Act read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3 November 2021 and SEBI Circular

Annexure - B (Contd.)

No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14 December 2021, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14 as the case may be. The said forms can be downloaded from the Company's website under Investor Relations Section at <https://www.lumaxworld.in/lumaxindustries/investor-relations.html>.

Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's Registrar and Transfer Agent ('RTA') in case the shares are held by them in physical form, quoting their folio number.

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

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.

It is further informed that the Company had intimated its members pursuant to the SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3 November 2021 read with SEBI Circular No. SEBI/

HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14 December 2021 that the members holding Physical shares are mandatorily required to update their PAN, KYC details and Nomination details with the Registrar and Share Transfer Agent of the Company i.e. KFin Technologies Limited (formerly KFin Technologies Private Limited) by 31 March 2023.

On Non-submission of the said documents, such folios shall be frozen by RTA on or after 1 April 2023 in the following manner, as per the directive issued by SEBI:

- a. Folios wherein any one of the said document/details are not available on or after 1 April 2023, shall be frozen by the RTA and you will not be eligible to lodge grievance or avail service request from the RTA and not eligible for receipt of dividend in physical mode.
- b. After 31 December 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002.
- c. Shareholders holding shares in physical mode are requested to ensure that their PAN is linked to Aadhaar by 31 March 2022 or any other date as may be specified by the Central Board of Direct Taxes to avoid freezing of folio.

In view of the above, Shareholders holding shares in physical form are requested to furnish valid PAN, KYC details and Nomination immediately to the Company/RTA in the required forms viz. Form ISR-1, ISR-2, ISR-3, ISR-4, SH-13 and SH-14, as intimated and sent by the Company to the members (holding physical shares) on the addresses registered with the Company and/or its RTA and/or the Depositories. The said intimation had been filed by the Company in this respect to the Stock Exchanges on 28 December 2021.

Furthermore, the forms for submission of various documents as aforesaid may be downloaded from the Company's website at <https://www.lumaxworld.in/lumaxindustries/investor-relations.html>.

Mandatory transfer/transmission/transposition of shares in dematerialized mode

Transfer, Transmission, transposition, dematerialisation of shares and all other investor related matters are attended to and processed by the Company's RTA.

In terms of requirements of Regulation 40 of the Listing Regulations, the request for transfer of securities shall not be processed unless the securities are held in the dematerialised form with Depositories. The request for transmission or transposition of securities held in

Annexure - B (Contd.)

physical or dematerialised form shall be effected only in dematerialised form.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form:

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal/ Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division/Splitting of securities certificate;
- vi. Consolidation of securities certificates/folios;
- vii. Transmission; and
- viii. Transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

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 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

Limited (formerly 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 (selfattested copy of Aadhar Card) by sending a request to KFin Technologies Limited (formerly KFin Technologies Private Limited), Registrar and Share Transfer Agent at einward.ris@kfinotech.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 2021-22.

Place: Gurugram
Date: 24 May 2022

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 2022 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: Gurugram
Date: 24 May 2022

Vineet Sahni
CEO & Senior Executive Director
Place: Gurugram
Date: 24 May 2022

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 11 May 2022.
2. We have examined the compliance of conditions of Corporate Governance by Lumax Industries Limited ('the Company') for the year ended 31 March 2022 as stipulated in Regulations 17-27, clause (b) to (i) and (t) 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 2022.
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 2022.
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: 24 May 2022

For **B S R & Associates LLP**
Chartered Accountants
Firm Registration No. 116231W/W-100024

Sandeep Batra
Partner
Membership No. 093320
ICAI UDIN: 22093320AJMQCJ6187

FORM NO. AOC-2
ANNEXURE - C
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 2021 to 31 March 2022
(d)	Salient terms of the contracts or arrangements or transactions including the value if any	₹ 26,115.19 Lakhs
(e)	Date(s) of approval by the Board	12 November 2021
(f)	Amount paid as advances if any	Nil

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

Deepak Jain

Chairman & Managing Director

DIN: 00004972

Place: Gurugram

Date: 24 May 2022

**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 2021-22 and the Percentage increase in Remuneration of Managing Directors, other Executive Directors, Chief Financial Officer and Company Secretary during the FY 2021-22.

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 2021-22 \$
1.	Mr Deepak Jain	Chairman & Managing Director	127.03	98.69
2.	Mr Anmol Jain	Joint Managing Director	34.43	382.04
3.	Mr Vineet Sahni	CEO & Senior Executive Director	108.74	66.02
4.	Mr Tadayoshi Aoki	Senior Executive Director	4.73	8.64
5.	Mr Kenjiro Nakazono	Executive Director	5.09	36.90
6.	Mr Shruti Kant Rustagi	Chief Financial Officer	NA	34.10
7.	Mr Pankaj Mahendru	Company Secretary	NA	24.70

\$ The remuneration for the Financial Year 2021-22 is not comparable with the remuneration paid in Financial year 2020-21 because of Voluntary Salary Reduction taken by the Directors and KMP's on account of Covid in FY 2020-21. Also the Commission on Profits (for FY 2020-21) to the Directors was substantially lower on account of lower profitability.

- B. There is increase/(decrease) in the Median Remuneration of Employees for the FY 2021-22 by 11.33%.
- C. The number of Permanent Employees on the rolls of the Company as on 31 March 2022 was 2,281.
- D. The Average Percentage increase in the salaries of the employees other than the Managerial Personnel for the financial year was 10.93% whereas the increase in the Managerial remuneration was 92.43%. 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.

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

ANNEXURE - E

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2022

[Pursuant to section 204(f) of the Companies Act, 2013 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 2022.

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 2022 according to the provisions of:

- (i) The Companies Act, 2013 (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 (Share Based Employee Benefits) Regulations, 2014/ Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **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 - E (Contd.)

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **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 31 March 2022, 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.

There were no changes in the composition of the Board of Directors during the financial year under review.

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 based on 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 Labor (Regulation and Abolition) Act, 1970,
 - (v) The Child Labor (Prohibition and Regulation) Act, 1986,
 - (vi) The Workmen's Compensation Act, 1923,
 - (vii) The Environment (Protection) Act, 1986.

Place: New Delhi
Date: 13 April 2022

Maneesh Gupta
FCS No. 4982
C P No. 2945
UDIN: F004982D000095061

Annexure - E (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 and Risk Management 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 Committees thereof;
16. Minutes of meetings of the Board and Committees thereof including passing of resolutions by circulations;
17. Notice convening annual general meeting held on 31 August 2021 and holding of the meeting on that date;
18. Minutes of General meeting including Postal Ballot;
19. Approval of Members, Board of Directors, Committee of Directors and government authorities, wherever required;
20. Form of Balance Sheet as at 31 March 2021 as prescribed under the Companies Act, 2013;
21. Report of the Board of Directors for the financial year ended 31 March 2021;
22. Borrowings and registration of charges;

Maneesh Gupta

FCS No. 4982

C P No. 2945

UDIN: F004982D000095061

Place: New Delhi

Date: 13 April 2022

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31 MARCH 2022

ANNEXURE - F

1. Brief outline on CSR Policy of the Company.

At Lumax, the social and environment responsibility has always been integral part of the system. The Company's 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 its business operations. It is Company's 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. Company shall continue to relentlessly strive in its 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:

Sl. 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 Parkash Gandhi	Member		2

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). ₹ 6,443.39 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5) ₹ 128.87 Lakhs

(b) Surplus arising out of the CSR projects or programs 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). ₹ 128.87 Lakhs (excluding ₹ 46.54 Lakhs being unspent amount for FY 2020-21).

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

Total Amount Spent for the financial year (₹ in Lakhs)	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
134.45	-	-	-	-	-

Note: The Company has spent ₹ 180.99 Lakhs during the FY 2021-22, out of which Rs. 46.54 Lakhs was against the unspent CSR amount for FY 2020-21 (excluding Rs. 0.70 Lakhs being interest earned on unspent CSR amount for the FY 2020-21).

Annexure - F (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 Lakhs)	(8) Amount spent in the current financial year (₹ in Lakhs)	(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.	Classroom construction in school	Education	Yes	Gujarat	Ahmedabad	Started in FY 2020-21	52.99 (Allocated in FY 2020-21)	26.54 (From last year Unspent Amount)	0	No	Lumax Charitable Foundation	CSR0000 1955
2.	Life skill for primary school	Education	Yes	Haryana	Gurugram	Started in FY 2020-21	30.00 (Allocated in FY 2020-21)	20.00 (From Last year Unspent Amount)	0	No	Lumax Charitable Foundation	CSR0000 1955

Note: The Company has also spent ₹ 0.70 Lakhs being the interest earned on the unspent amount of the CSR for FY 2020-21.

(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 Lakhs)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	School Infrastructure	Quality Education	No	Odisha	Kendujhar	11.00	Yes	Utkal Gaurav Foundation	CSR0000 2318
2.	Oxygen Concentrator	Good Health	Yes	Delhi	Delhi	10.00	Yes	Rotary	CSR0000 4481
3.	Education	Quality Education	Yes	Delhi	Delhi	0.50	No	Lumax Charitable Foundation	CSR0000 1955
4.	Donated Ventilators (Covid – 19 Relief)	Good Health	Yes	Haryana	Gurugram	20.16	No	Lumax Charitable Foundation	CSR0000 1955
5.	Life skills for Adolescents	Quality Education	Yes	Haryana	Rewari & Mewat	6.15	No	Lumax Charitable Foundation	CSR0000 1955
6.	Hospital Equipment	Good Health	Yes	Delhi	Delhi	6.72	No	Lumax Charitable Foundation	CSR0000 1955
7.	Excursion Trips for Students	Quality Education	Yes	Haryana	Rewari	0.57	No	Lumax Charitable Foundation	CSR0000 1955

Annexure - F (Contd.)

(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 Lakhs)	(7) Mode of implementation - Direct (Yes/ No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
8.	Juvenile Diabetes patient support, Health Check - up camps for students	Good Health	Yes	Maharashtra	Pune	9.70	No	Lumax Charitable Foundation	CSR0000 1955
9.	Palna -The home for orphaned and abandoned children	Quality Education, Good Health	Yes	Delhi	Delhi	5.00	No	Lumax Charitable Foundation	CSR0000 1955
10.	Life skills for children's	Quality Education	Yes	Haryana and Uttarakhand	Gurugram and Udham Singh Nagar	7.36	No	Lumax Charitable Foundation	CSR0000 1955
11.	Cancer Detection Camps and Patient Support	Good Health	Yes	Haryana	Rewari & Gurugram	7.60	No	Lumax Charitable Foundation	CSR0000 1955
12.	Roshan Vidyalyaya	Quality Education	Yes	Haryana	Mewat	1.49	No	Lumax Charitable Foundation	CSR0000 1955
13.	Elementary Education to children in Urban slums	Quality Education	Yes	Haryana	Gurugram	3.50	No	Lumax Charitable Foundation	CSR0000 1955
14.	Infrastructure in Govt. School	Quality Education	Yes	Uttarakhand and Gujarat	Udham Singh Nagar And Ahmedabad	26.29	No	Lumax Charitable Foundation	CSR0000 1955
15.	Career Counseling	Quality Education	Yes	Gujarat, Maharashtra and Haryana	Ahmedabad, Pune and Rewari, Mewat	3.00	No	Lumax Charitable Foundation	CSR0000 1955
16.	Scholarships "Usha ki Kiran"	Quality Education	Yes	Gujarat, Maharashtra and Haryana	Ahmedabad, Pune and Rewari, Mewat	2.70	No	Lumax Charitable Foundation	CSR0000 1955
17.	Leopard Conservation (SNS Foundation)	Wildlife Conservation	No	Rajasthan	Pali	5.00	No	Lumax Charitable Foundation	CSR0000 1955
18.	Educational Support	Quality Education	Yes	Haryana	Gurugram	0.99	No	Lumax Charitable Foundation	CSR0000 1955
	TOTAL					127.73			

(d) Amount spent in Administrative Overheads – ₹ 6.72 Lakhs

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

(f) Total amount spent for the financial year (8b+8c+8d+8e) - ₹ 180.99 Lakhs (excluding ₹ 0.70 Lakhs being interest earned on unspent amount of FY 2020-21 which was also spent during FY 2021-22).

Annexure - F (Contd.)
(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	128.87
(ii)	Total amount spent for the financial year	134.45
(iii)	Excess amount spent for the financial year [(ii)-(i)]	5.58
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	5.58

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

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Amount spent in the reporting financial year (₹ in Lakhs)	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 Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	
1.	FY 2020-21	46.54	46.54				-
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (₹ in Lakhs)	(7) Amount spent on the project in the reporting financial year (₹ in Lakhs)	(8) Cumulative amount spent at the end of reporting financial year (₹ in Lakhs)	(9) Status of the project- Completed /Ongoing
1.	FY31.03.2021_1	Class Room Construction in school	FY 2020-21	2 Years	52.99	26.54	52.99	Completed
2.	FY31.03.2021_2	Life skill for primary school	FY 2020-21	2 Years	30.00	20.00	30.00	Completed
	TOTAL				82.99	46.54*	82.99	

* excluding Interest Amount of ₹ 0.70 Lakhs

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).
Not Applicable**

Vineet Sahni
(CEO and Sr. Executive Director)

Deepak Jain
(Chairman CSR Committee)

Place: Gurugram
Date: 24 May 2022

Place: Gurugram
Date: 24 May 2022

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

ANNEXURE - G

(Pursuant to Section 134(3)(m) of the Act read with Rule 8 of Companies (Accounts) Rules, 2014 for the year ended 31 March 2022)

(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 overall efficiency of equipment like:

1. Reducing energy consumption for 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
- iii) Insulation of chilled water pipeline and chilled water tank so as to reduce energy consumption of chiller

2. Reducing of Energy Consumption in compressed air network

- i) Reduction in generation pressure of compressor by leakage arresting
- ii) Auto drain trap for receivers instead of timer-based drain traps
- iii) Installation of equipment which uses less compressed air for the vacuum generation at assembly lines

3. Reducing energy consumption of pumping system

- i) Replacement of inefficient pumps with energy efficient pump
- 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. Reduction in Energy consumption of process by reducing the radiation losses

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

- i) Injection Molding Machine Hopper Insulation
- ii) Insulation paint on oven with high surface temperature
- iii) Insulation paint on the molds having higher surface temperature

5. Reduction in Energy consumption of Cooling Tower

- i) Reducing energy consumption of cooling tower by interlocking of CT fan speed with cooling tower outlet temperature.

6. 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) Implementation of VFD on motor with under load capacity utilization so as to reduce energy consumption with optimization of motor speed.

7. Reduction in Energy consumption by technology change

- i) Reduction in energy consumption with the replacement of mica band heaters of injection molding machine with IR heater
- ii) Reduction in energy consumption by replacement of induction motor of air washer with EC motor
- iii) Reduction in energy consumption of injection molding machine by replacement of hydraulic motor to servo motor.
- iv) Replacement of conventional fan to BLDC fan

Annexure - G (Contd.)

b. Plans Formulated for Implementation of Renewable Energy

1. Installation of Solar Roof top

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

Sl. 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
6	SMT Bawal	499	Opex
	Total	3,340	

Total approximately 3.34 MW of solar roof top panels installed for harnessing renewable energy for the manufacturing process.

2. Steps taken to increase renewable energy percentage contribution in manufacturing for future

The Company has invested in equity for the offtake of solar power from Group Captive solar park for one of its plants. The total capacity signed is 3 MW DC and also, 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 Gujarat region which will fetch huge amount of savings in energy cost and also will reduce the carbon footprint.

c. 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 planning to get certified for all the other plants. This certification will help to keep a check on the energy consumption of plant and thereby help in continual improvement in energy consumption reduction.

d. Energy Monitoring System – Way Forward

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

(B) Technology absorption:

(i) The efforts made towards technology absorption

- Tail Lamp with 3D Crystal effect for 2W application (Lumax 1st time).
- Bi-Functional Bulb Projector for 2W application (Lumax 1st time)
- In house design and development for smallest 2W Tail Lamp with LED (Lumax Smallest)
- In house design of LED Winker Lamp with very small size for 2W (Single Chip LED)
- Inhouse design of Full LED Head Lamp. (First time in Tractor Industry)
- Inhouse design of Projector Head lamp to meet India/Europe/USA Market requirements. (First time in Tractor Industry)
- Inhouse design of Direction Indicator Lamp having 3 in 1 Function. (First time in Tractor Industry)
- Inhouse micro controller-based design & embedded software development
- Inhouse Electronic Test Lab established in Lumax Pune with basic testing capabilities.
- Inhouse design 4W Full LED Head lamp having both reflector & Projector technology integrated with sequential Turn.
- Inhouse design 4W Full LED Tail lamp with 3D cube effect with diffuser lens.
- First time India integrated LED front fog lamp, DRL, Front Position & Cornering in Single Lamp unit.
- Rear Connecting Deck lit Lamp with LED Technology
- Localized Bi-Functional LED Projector (1st Time in Lumax)
- Inhouse design 4W Full LED Head lamp with 3 in 1 Function (DRL, Turn Indicator, Position).
- Bi-Functional LED Projector for 2W application (1st Time in Lumax)

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

- 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 System Provider from Product Supplier.
- Company Implemented Core COC Organization Structure led by Pool of experts in Core Mechanical, Optics, Electronics & Standardization for Improvements in Product Design & Development.

Annexure - G (Contd.)

- c. Company Opened a Office in Europe (Czech Republic) for bringing in advance Lighting Technologies to India at affordable cost.
- d. The Engineers of the Company are being trained in Stanley Japan which shall prove to be beneficial for customer as well for the country with respect to localization of design as well as technology transfer in long run.
- e. 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 three years reckoned from the beginning of the financial year) :

a.	Technology Imported	Light Curtain	Bi LED Projector Unit for Headlamps	Mono Projector Unit for Head lamp
b.	Year of Import	2018-19	2019-20	2020-21
c.	Whether the technology been fully absorbed	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	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 6 (Six) Years back.

To further strengthen its R&D capabilities, the Company has opened another Design center in Czech Republic.

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

- Capacity & Capability Enhancement in Core COC Engineering areas like (Optics, CAE, Core Mechanical & Electronics)
- Charging Indicator Animation Lamp
- Designing of Bi- LED & Mono Functional Low Cost Sealed Projector 2W & 4W.
- Innovative Signaling Feature (Welcome & Good Bye)
- Innovative Signaling Feature With 3D Holographic effect.
- Next Generation O-LED Signaling Option.

- Static & Dynamic Logo Projection System as Styling/Safety features.
- Lit Logo & Carpet Lighting.

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

- Complete in house designing of LED Lighting Systems for Automotive applications as a journey towards self-reliance.
- Integration of New & Advance Technology in Automotive Lighting System (Welcome & Good Bye, 3D Holographic Effects, Lit Logo, Static/ Dynamic Projection System etc. in India)

c. Future plan of action

- Continues Development towards Capability Enhancements in Core Engineering, Prototyping & Validation capabilities for safe Launches.
- Introduction of Adaptive Driving Beam with AFS Features.
- Innovative 3D Holographic Tail Functions for automotive application
- Dynamic & Static Projection Logo introction in India market.
- Work towards OLED or OLED like Tail Function on Lighting Systems
- As a part of Personalization introduce Custom signature Features.

Annexure - G (Contd.)
d. The Expenditure incurred on Research and Development (R&D):

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21
(i) Capital	211.02	326.44
(ii) Recurring	4,582.34	3,787.82
Total	4,793.36	4,114.26
(iii) Total R&D Expenditure as a percentage of Total Turnover (%)	2.74%	2.89%

(C) The Foreign Exchange earned in terms of actual

- (i) inflows during the year ₹ 3,920.41 Lakhs.**
- (ii) The Foreign Exchange outgo during the year in terms of actual outflows is ₹ 34,022.97 Lakhs.**

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans

The 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. Full LED Head Lamp has been approved by John Deere (JD), USA and the mass production supplies for the same will commence from June 2022.
- II. New Development of LED Head Lamp [with Low Beam only] has been initiated with JD, USA. Prototype samples have been submitted for approval and the mass production supplies are to commence from June 2023.
- III. On-going discussion with existing customers, Trucklite and JD for upgradation of Conventional lamps to LED Lamps.
- IV. Engagement with existing Export Customers for increasing the business by offering off the shelf products.
- V. Engaging with OEM's based out of Central Europe through New Design Centre 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	2nd 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	2021-22
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	(a) Company has two(2) overseas design centres in Taiwan and Czech Republic (b) Company has 11 Manufacturing Plants in India at below mentioned locations: <ul style="list-style-type: none"> • Gurugram, Dharuhera, Bawal (2 Plants) (Haryana) • Pant Nagar, Haridwar (Uttarakhand) • Chinchwad, Chakan (Maharashtra) • Bengaluru (Karnataka) • Sanand (2 plants) (Gujarat) Besides, Company has two Government approved R&D Centres (Gurugram, Haryana & Chakan, Maharashtra)
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		₹ in Lakhs	
		FY 2021-22	FY 2020-21
1	Equity Share Capital	934.77	934.77
2	Total Turnover		
	a) Revenue from operations	1,75,131.10	1,42,598.07
	b) Other Income	1,338.64	2,523.38
3	Total Profit after taxes	3,543.37	1,703.85

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

The Company has spent an amount of ₹ 134.45 Lakhs (2.08%) for the FY 2021-22. Besides the Company has also spent ₹ 46.54 Lakhs (excluding ₹ 0.70 Lakhs, being interest earned on unspent amount) during the FY 2021-22 being the unspent amount for FY 2020-21.

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

Education, Health and COVID relief. The details are enumerated in Annexure F which forms part of the Board's Report.

Business Responsibility Report (Contd.)

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(s)	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 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) Business should conduct and govern themselves with Ethics, Transparency and Accountability	Principle 2 (P2) Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Principle 3 (P3) Business should promote the well-being of all employees
Principle 4 (P4) Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	Principle 5 (P5) Businesses should respect and promote human rights	Principle 6 (P6) Business should respect, protect, and make efforts to restore the environment
Principle 7 (P7) Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	Principle 8 (P8) Business should support inclusive growth and equitable development	Principle 9 (P9) 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 stakeholdersgrievances 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 question 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 publish 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 2021-22	Complaints Resolved during FY 2021-22	Complaints Resolved (%)
Investors	3	3	100
Employees (Whistle Blower)	Nil	N.A.	N.A.
Employees (POSH)	1*	-	-

* The complaint was received on 25 March 2022.

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 improvement 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 disposed off in compliance with applicable statutory provisions.

Principle 3

- 1. Please indicate the Total number of employees:** On roll – 2281, Casuals/Contractuals – 2669
- 2. Please indicate the Total number of employees hired on temporary/contractual/casual basis –** 2669
- 3. Please indicate the Number of permanent women employees –** 163
- 4. Please indicate the Number of permanent employees with disabilities –** NIL
- 5. Do you have an employee association that is recognized by management –** YES
- 6. What percentage of your permanent employees is members of this recognized employee association –** 18%
- 7. 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.**

Sr. 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	1
3	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Sr. No.	Category	% Employees that were given safety training	% Employees that were given skill upgradation training
1	Permanent Employees	47%	52%
2	Permanent Women Employees	53%	49%
3	Casual/Temporary/Contractual Employees	94%	94%
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 adhere to the principles of Human Rights. The Company has adopted Code of Conduct and whistle blower policy. These policies are applicable to 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 2021-22	Complaints Resolved during FY 2021-22	Complaints Resolved (%)
Employees (Whistle Blower)	Nil	N.A.	N.A.
Employees (POSH)	1*	0	-
Shareholders	3	3	100

* The complaint was received on 25 March 2022.

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.

NIL.

Principle 7

1. Is the 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 - Automotive Component Manufacturers Association of India
- 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 program/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, Company intend to help 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 program/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 programs.

Business Responsibility Report (Contd.)

3. Have you done any impact assessment of your initiative?

The CSR Committee reviews the progress of the initiatives for all the projects and program to assess the desired outcome on the society.

4. What is the 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 program, please refer to **Annexure – F** (Annual Report on CSR activities), to the Board's report for FY 2021-22.

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 these 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, sensitizing 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 OEM's (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 OEM's 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 OEM's to monitor the performance on daily basis and ensure swift response in case of any concern/ issue reported at customer end.

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 behavior 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 the Company carry out any consumer survey/consumer satisfaction trends?

The Company takes and receives 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.

FINANCIAL STATEMENTS



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 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 2022, and its profit and other comprehensive loss, 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 obtained by us 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), 23 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 standalone financial statements and our auditor's 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' Responsibilities 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 the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 in preparation of standalone 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 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

Independent Auditor's Report (Contd.)

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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 Auditor's 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:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2022 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;
 - iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of

Independent Auditor's Report (Contd.)

- the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (i) and (iv) (ii) contain any material mis-statement.
 - v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- 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 two directors is in excess of the limit 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

Sandeep Batra
Partner
Membership No.: 093320
ICAI UDIN: 22093320AJMNVA9563

Place: Gurugram
Date: 24 May 2022

ANNEXURE A to the Independent Auditor's Report on Standalone Financial Statements

(Referred to in our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this program, certain property, plant and equipment were verified during the current year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No 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 (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favor of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and granted loans to its employees during the year. The requisite information in relation to loan to its employees is stated in paragraph (iii)(a) below. Except as stated above, the Company has not made any investments or granted any loans, secured or unsecured, to Companies, firms, limited liability partnership or any other parties during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans as below

Particulars	Interest free employee loans amount (INR in lakhs)
- Aggregate amount of loans given to employees during the year	156.40
- Balance outstanding of loans given to employees as at balance sheet date	169.84

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and condition of the grant of employee loans provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal has

Annexure A to the Independent Auditor's Report (Contd.)

been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loan to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advance in the nature of loan or advance in the nature of loan either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods (and/or services provided by

it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services tax (GST).

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees State Insurance, Income-tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in few cases related to payment of Income-tax, Provident fund, Employees' State Insurance, Goods and Services Tax and Professional tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Services Tax, Provident Fund, Employees' State Insurance and Cess which have not been deposited with the appropriate authorities on account of any dispute. Statutory dues relating to Income-Tax, Duty of Customs or other statutory dues which have not been deposited on account of any dispute are as follows:

Annexure A to the Independent Auditor's Report (Contd.)

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
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.	2.00	-	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, 1956	Demand against non-submission of various forms	35.64	1.80	2015-16	Joint Commissioner of Sales tax (Appeals)
Central Sales Tax Act, 1956	Demand against non-submission of various forms	20.23	-	2001-02	Joint Commissioner of Sales tax (Appeals)
Customs Act, 1962	Demand of Customs duty on Drawing, Design and testing charges	1,132.26	500.00	2016-17 to 2020-21	Assistant commissioner of Customs
Customs Act, 1962	Demand on account of classification of certain imported goods	45.03	-	2017-18	Additional Commissioner of Customs
Central Sales Tax Act, 1956	Demand for wrongful availment of Input Tax Credit.	90.79	4.86	2016-17	Joint Commissioner of Sales tax (Appeals)
Central Sales Tax Act, 1956	Demand for wrongful availment of Input Tax Credit.	31.48	1.67	2017-18	Joint Commissioner of Sales tax (Appeals)

(viii) According to the information and explanations given to us and on the basis of income tax returns and our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no

funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate company (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of 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. Accordingly, clause 3(x)(b) of the Order is not applicable.

Annexure A to the Independent Auditor's Report (Contd.)

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on representation by management and according to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs as part of the Group as detailed in note 47 (viii) to the financial statements.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W/W-100024

Sandeep Batra

Partner

Membership No.: 093320

ICAI UDIN: 22093320AJMNVA9563

Place: Gurugram

Date: 24 May 2022

ANNEXURE B to the Independent Auditor's Report on Standalone Financial Statements of Lumax Industries Limited for the period ended 31 March 2022

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 (2)(A)(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 financial statements of Lumax Industries Limited ("the Company") as of 31 March 2022 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 financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to 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 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 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").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to 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 financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

Annexure B to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to 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

Sandeep Batra
Partner
Membership No.: 093320
ICAI UDIN: 22093320AJMNVA9563

Place: Gurugram
Date: 24 May 2022

Standalone Balance Sheet as at 31 March 2022

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

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
I ASSETS			
Non-current assets			
Property, plant and equipment	4A	66,472.74	58,117.23
Capital work-in-progress	4B	4,783.66	4,701.63
Right of use assets	4C	2,842.82	3,074.04
Investment property	5	72.13	72.13
Goodwill	4E	977.58	977.58
Other intangible assets	4D	749.05	473.34
Intangible assets under development	4F	19.80	-
Financial assets			
Investments	6	762.74	514.74
Loans	7	59.77	77.38
Others	8	786.50	781.92
Non current tax assets (net)	11	538.16	502.09
Other non-current assets	12	6,038.61	7,202.48
Total non-current assets		84,103.56	76,494.56
Current assets			
Inventories	13	26,434.75	22,234.22
Financial assets			
Investments	6	26.14	21.10
Trade receivables	9	23,214.44	21,631.34
Cash and cash equivalents	10	1,552.57	283.65
Bank balances other than above	10	17.12	31.35
Loans	7	112.43	87.90
Others	8	3,467.69	3,238.39
Other current assets	12	6,320.71	3,534.24
Total current assets		61,145.85	51,062.19
TOTAL ASSETS		1,45,249.41	1,27,556.75
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	934.77	934.77
Other equity	15	41,336.03	38,779.14
Total equity		42,270.80	39,713.91
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	16	5,834.15	1.89
Lease liabilities	17	3,542.64	3,617.97
Provisions	21	3,858.62	3,196.54
Deferred tax liabilities (net)	22	1,249.53	934.03
Total non current liabilities		14,484.94	7,750.43
Current liabilities			
Financial liabilities			
Borrowings	16	30,564.91	30,094.25
Lease liabilities	17	135.80	98.20
Trade payables			
- total outstanding dues of micro enterprises and small enterprises, and	18	1,971.05	1,534.23
- total outstanding dues of creditors other than micro enterprises and small enterprises	18	45,435.13	35,909.52
Other financial liabilities	19	5,677.32	7,442.08
Other current liabilities	20	4,063.76	4,140.78
Provisions	21	645.70	873.35
Total current liabilities		88,493.67	80,092.41
Total liabilities		1,02,978.61	87,842.84
TOTAL EQUITY AND LIABILITIES		1,45,249.41	1,27,556.75
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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Standalone Statement of Profit and Loss for the year ended 31 March 2022

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

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
I REVENUE			
Revenue from operations	23	1,75,131.10	1,42,598.07
Other income	24	1,338.64	2,523.38
TOTAL REVENUE		1,76,469.74	1,45,121.45
II EXPENSES			
Cost of materials consumed			
Cost of raw material and components consumed	25	1,06,288.74	86,205.22
Cost of moulds, tools & dies	25.1	6,274.41	4,378.00
Purchase of stock in trade	26	921.05	449.81
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(790.26)	(773.38)
Employee benefits expenses	28	24,083.88	20,679.78
Finance costs	29	2,141.49	2,847.54
Depreciation and amortization expense	30	6,366.80	6,451.32
Other expenses	31	24,854.93	21,731.18
TOTAL EXPENSES		1,70,141.04	1,41,969.47
III Profit before exceptional items and income tax (I-II)		6,328.70	3,151.98
IV Exceptional item Gain/(Loss)	28.1	(1,713.95)	-
V Profit/(Loss) before tax (III+IV)		4,614.75	3,151.98
VI Tax Expense:			
Current tax (including earlier years)	22	639.82	544.20
Deferred tax (including MAT for earlier years)	22	431.56	903.93
Income tax expenses		1,071.38	1,448.13
VII Profit before tax (V-VI)		3,543.37	1,703.85
VIII Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss and its related income tax effects			
Remeasurements of defined benefit liability		(332.14)	126.54
Income tax relating to above		-	-
Net other comprehensive income/(loss) not to be reclassified subsequently to profit or loss		(332.14)	126.54
IX Total comprehensive income for the year (VII+VIII)		3,211.23	1,830.39
X Earnings per equity share - Basic and diluted (Nominal value of share ₹ 10 (Previous year : ₹ 10) each)		37.91	18.23
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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Standalone Statement of Changes in Equity for the year ended 31 March 2022

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

a. Equity share capital

Particulars	Note	Amount
Balance as at 31 March 2020		934.77
Changes in equity share capital during the year	14A	-
Balance at 31 March 2021		934.77
Changes in equity share capital during the year	14A	-
Balance at 31 March 2022		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 2020		0.65	6,796.66	9,638.47	21,073.83	-	37,509.61
Profit for the year	15A	-	-	-	1,703.85	-	1,703.85
Dividends	15B	-	-	-	(560.86)	-	(560.86)
Other comprehensive income/(loss)	15A	-	-	-	-	126.54	126.54
Transferred to retained earnings	15A	-	-	-	126.54	(126.54)	-
Balance at 31 March 2021		0.65	6,796.66	9,638.47	22,343.36	-	38,779.14
Profit for the year	15A	-	-	-	3,543.37	-	3,543.37
Dividends	15B	-	-	-	(654.34)	-	(654.34)
Other comprehensive income/(loss)	15A	-	-	-	-	(332.14)	(332.14)
Transferred to retained earnings	15A	-	-	-	(332.14)	332.14	-
Balance at 31 March 2022		0.65	6,796.66	9,638.47	24,900.25	-	41,336.03

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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Standalone Statement of Cash Flow for the year ended 31 March 2022

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

S. Particulars No.	Year ended 31 March 2022	Year ended 31 March 2021
A. Cash flow from operating activities		
Profit before tax	4,614.75	3,151.98
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	6,366.80	6,451.32
Bad Debts	-	33.89
Advances written off	13.15	34.87
Provision for doubtful debts	25.37	34.41
Net (gain)/loss on disposal of property, plant and equipment	(26.92)	(250.59)
Change in fair value of investment	(148.04)	(10.59)
MTM (gain)/loss on cross currency swaps and forward contracts	-	237.34
Unrealized foreign exchange (gain)/ loss	(34.44)	(587.62)
Provisions/creditors no longer required written back	(106.90)	(5.49)
Finance cost	2,141.40	2,814.05
Interest on tax	0.09	33.49
Interest income	(23.58)	(33.25)
Dividend income	(17.92)	(11.52)
Operating profit before changes in asstes and liabilities	12,803.76	11,892.29
Change in assets and liabilities		
Decrease/ (increase) in inventories	(4,200.53)	(4,316.40)
Decrease/ (increase) in trade receivables	(1,609.93)	(4,352.71)
Decrease/ (increase) in loans	(6.92)	26.47
Decrease/ (increase) in other financial assets	(248.99)	(2,377.61)
Decrease/ (increase) in other assets	(2,783.03)	(1,557.51)
(Decrease)/ increase in trade payables	10,105.23	6,279.56
(Decrease)/ increase in other financial liabilities	(2,493.97)	729.92
(Decrease)/ increase in other liabilities	(77.02)	409.93
(Decrease)/ increase in provisions	343.87	501.96
Cash generated from operations	11,832.47	7,235.90
Income taxes paid (net of refunds)	1,033.62	(384.67)
Net cash flow from/ (used in) operating activities (A)	10,798.85	7,620.57
B. Cash flow from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(12,948.28)	(6,737.98)
Proceeds from sales of property, plant and equipment	46.66	545.28
Investment made in equity shares	(105.00)	-
Interest received	25.54	119.10
Dividends received	17.92	11.52
Maturity from/(Investments in) bank deposits (having original maturity of more than three months)	14.23	2,989.96
Net cash flow from/ (used in) investing activities (B)	(12,948.93)	(3,072.12)
C. Cash flow from financing activities		
Proceeds from bank loan	8,095.48	-
Repayment of bank loan	(465.43)	(5,069.96)
Proceeds from/(repayment) of short term loans/cash credit/WCDL/vendor finance facility (net)	(1,327.13)	3,518.31
Payment of finance lease	(398.52)	(296.34)
Interest paid	(1,828.72)	(2,649.33)
Dividend paid on equity shares	(656.68)	(562.48)
Net cash flow from/ (used in) financing activities (C)	3,419.00	(5,059.80)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,268.92	(511.35)
Cash and cash equivalents at the beginning of the year	283.65	795.00
Cash and cash equivalents at the end of the year	1,552.57	283.65

Standalone Statement of Cash Flow for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

S. Particulars No.	Year ended 31 March 2022	Year ended 31 March 2021
i Components of cash and cash equivalents		
Cash on hand	14.10	14.98
Balances with banks:		
On current accounts	1,538.47	268.67
Total cash and cash equivalents	1,552.57	283.65

ii Movement in financial liabilities	Lease liabilities	Long term loans	Short term loans	Interest payable	Total
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 1 April 2021	3,716.17	13.22	30,082.92	53.17	33,865.48
Cash flows (net)	(398.52)	7,630.05	(1,327.13)	(1,828.72)	4,075.68
Other non cash transactions:					
- Acquisition	41.47	-	-	-	41.47
- Interest	319.32	-	-	1,822.08	2,141.40
- Foreign exchange movement	-	-	-	-	-
As on 31 March 2022	3,678.44	7,643.27	28,755.79	46.53	40,124.03

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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Notes to the Standalone Financial Statements for the year ended 31 March 2022

(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 the Companies Act 1956 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 24 May 2022.

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 (₹), 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:

- a. Certain financial assets and liabilities (including derivative instruments) - measured at fair value.
- b. Net defined benefit (asset)/ liability - measured at fair value of plan assets less present value of defined benefit obligations.
- c. Other financial assets and liabilities - measured at amortized 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 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 2022 and judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- i) Recognition of deferred tax assets - note 22- The Company has recognised 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.
- ii) Write down of inventories - note 13 - 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 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.
- iv) Provision for employee benefits - note 21 & 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 19 – The Company creates accrual of price adjustments based on agreed

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

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 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 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 categorized 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 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

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 :

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

All other assets are classified as non-current.

A liability is 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 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 recognised 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

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

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 labor, 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 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 recognised 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 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 recognised 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 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

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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 recognised 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 recognised 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 recognised 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.

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 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 recognised 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 Company changes its business model for managing financial assets.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

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 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 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 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 realizing 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
- d) terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features)

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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 recognised 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 recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised 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 recognised in Statement of Profit and Loss. Other net gains and losses are recognised 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 recognised 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 recognised 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 recognised 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 recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognised 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 derecognised 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 derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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 derecognised 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 recognised to the extent of continuing involvement in the financial asset.

Financial liability

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The 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 recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised 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 realize 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 recognised 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

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

the fair value of derivatives are taken directly to profit or loss.

i. Impairment

j) Impairment of financial assets

The 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 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 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 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 analyzed.

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 recognised 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 2022 (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 recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised 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 recognised.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised 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 recognised.

j. Provisions (other than for employee benefits) and contingent liabilities

A provision is recognised 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 recognised as finance cost. Expected future operating losses are not provided for.

Warranties

A provision for warranties is recognised 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 recognised in the income statement.

Rate decrease

The Liabilities for rate decrease is recognised 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 recognised 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 2022 (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 recognised 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 recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised 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 recognised 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 recognised 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 recognised 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 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 2022 (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 recognised 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 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 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 recognised 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 recognised as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

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 recognised 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 recognised 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 recognised 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 recognised immediately in Statement of Profit and Loss. The Company recognizes 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 recognised 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 recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised 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 recognised 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 recognised 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 recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised 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

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

- 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 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 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 realized simultaneously.

Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as deferred tax asset.

Deferred tax assets (including MAT credit) are recognised 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 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 – unrecognised or recognised, are reviewed at each reporting date and are recognised/ 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 recognised 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 recognised 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 recognised 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 recognised 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.

t. Dividend Distribution

The 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 Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

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 recognised 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 recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised 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. Standards issued but not yet effective

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1 April 2022. Key Amendments relating to the same whose financial

statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Ind AS 16 Property, Plant and Equipment – For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in Statement of Profit and Loss and considered as part of cost of PPE.
- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.
- Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/ JV can be measured based Consolidated Financial Statements.
- Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

4A Property, plant & equipment

Particulars	Freehold Land	Buildings	Plant and machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Gross Block							
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
Additions	547.87	779.87	12,636.37	101.47	125.11	126.79	14,317.48
Disposals/adjustments	-	-	(21.98)	(0.08)	(5.56)	(55.35)	(82.97)
As at 31 March 2022	4,069.36	13,611.42	77,497.44	1,239.49	620.73	1,461.77	98,500.21
Depreciation							
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
For the year	-	523.35	5,058.18	118.25	83.58	158.87	5,942.23
Disposals/adjustments	-	-	(4.55)	-	(5.31)	(53.37)	(63.23)
As at 31 March 2022	-	2,612.82	27,318.03	491.53	383.60	1,221.49	32,027.47
Net Block:							
As at 31 March 2021	3,521.49	10,742.08	42,618.65	764.82	195.85	274.34	58,117.23
As at 31 March 2022	4,069.36	10,998.60	50,179.41	747.96	237.13	240.28	66,472.74

Note:

- Property, plant and equipment representing land and building amounting to ₹ 730.71 Lakhs (31 March 2021: ₹ 734.09 Lakhs) have been pledged as security by the Company.

4B Capital Work in progress

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	4,701.63	3,216.74
Additions made during the year	14,399.51	4,674.97
Capitalized during the year	(14,317.48)	(3,190.08)
Total	4,783.66	4,701.63

Note:

- The Company has capitalized borrowing cost relating to construction of building and purchasing of plant and machinery amounting to ₹ 300.80 Lakhs (31 March 2021: ₹ 37.52 Lakhs).

(a) Ageing of Capital Work in progress	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	Total
Balance as at 31 March 2022					
Projects In progress	3,379.56	1,036.75	367.35	-	4,783.66
Projects temporarily suspended	-	-	-	-	-
Total	3,379.56	1,036.75	367.35	-	4,783.66
Balance as at 31 March 2021					
Projects In progress	3,263.17	1,157.42	281.04	-	4,701.63
Projects temporarily suspended	-	-	-	-	-
Total	3,263.17	1,157.42	281.04	-	4,701.63

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

(b) Capital Work in progress	To be completed in				Total
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	
Projects either over run/overdue*	3,724.20	-	-	-	3,724.20
Other Project in progress#	1,059.46	-	-	-	1,059.46
Total	4,783.66	-	-	-	4,783.66

*For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan.

#Other CWIP items whose completion is not due and has not exceeded its cost compared to its original plan.

4C Right of use assets

Particulars	Leased Assets	Total
Gross Block		
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
Additions	41.47	41.47
Disposals/adjustments	-	-
As at 31 March 2022	3,465.56	3,465.56
Depreciation		
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
For the year	272.69	272.69
Disposals/adjustments	-	-
As at 31 March 2022	622.74	622.74
Net Block:		
As at 31 March 2021	3,074.04	3,074.04
As at 31 March 2022	2,842.82	2,842.82

4D Other intangible assets

Particulars	Computer Software	Total
Gross Block		
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
Additions	516.10	516.10
Disposals/adjustments	-	-
As at 31 March 2022	1,863.26	1,863.26
Depreciation		
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
For the year	240.39	240.39
Disposals/adjustments	-	-
As at 31 March 2022	1,114.21	1,114.21
Net Block:		
As at 31 March 2021	473.34	473.34
As at 31 March 2022	749.05	749.05

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

4E Goodwill

Particulars	Goodwill	Total
Gross Block		
As at 31 March 2020	977.58	977.58
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2021	977.58	977.58
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2022	977.58	977.58
Impairment		
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2022	-	-
Net Block:		
As at 31 March 2021	977.58	977.58
As at 31 March 2022	977.58	977.58

4F Intangible asset under development

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	-	2.06
Additions made during the year	535.90	-
Capitalized during the year	(516.10)	(2.06)
Total	19.80	-

(a) Ageing of Intangible asset under development	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	Total
Balance as at 31 March 2022					
Projects In progress	19.80	-	-	-	19.80
Projects temporarily suspended	-	-	-	-	-
Total	19.80	-	-	-	19.80
Balance as at 31 March 2021					
Projects In progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

(b) Intangible asset under development	To be completed in				Total
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	
Projects either over run/overdue*	-	-	-	-	-
Other Project in progress#	19.80	-	-	-	19.80
Total	19.80	-	-	-	19.80

*For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

#Other Intangible assets under development whose completion is not due and has not exceeded its cost compared to its original plan.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

5 Investment property

Particulars	Freehold land	Total
Gross Block		
As at 31 March 2020	72.13	72.13
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2021	72.13	72.13
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2022	72.13	72.13
Depreciation		
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2022	-	-
Net Block:		
As at 31 March 2021	72.13	72.13
As at 31 March 2022	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.
- Fair market value as at 31 March 2022 amounts to ₹ 2,066.60 Lakhs (31 March 2021: ₹ 1,484.80 Lakhs). The fair value of investment property is based on the valuation performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

6 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-Current investments		
Unquoted equity shares		
<i>Equity shares at cost</i>		
32,98,986 (31 March 2021: 32,98,986) equity shares of ₹ 10 each fully paid-up in SL Lumax Limited (an associate)	354.74	354.74
Equity shares at FVTPL		
6,55,832 (31 March 2021: 6,55,832) equity shares of ₹ 10 each fully paid-up in Caparo Power Limited	221.00	65.58
Equity shares at FVTPL		
10,50,000 (31 March 2021: Nil) equity shares of ₹ 10 each fully paid-up in Avaada MHBuldhana Private Limited	105.00	-
Unquoted Preference shares		
Preference shares at FVTPL		
9,44,168 (31 March 2021: 9,44,168) 2% Redeemable Preference shares of ₹ 10 each fully paid-up in Caparo Power Limited	82.00	94.42
Total-A	762.74	514.74
B-Current investments		
Quoted equity shares at FVTPL	26.14	21.10
43,866 (31 March 2021: 43,866) equity shares of ₹ 10 each fully paid up in PNB Gilts Limited		
Total-B	26.14	21.10
Total- Investments (A+B)	788.88	535.84
Aggregate cost of quoted investments	9.87	9.87
Aggregate market value of quoted investments	26.14	21.10
Aggregate amount of unquoted investments	762.74	514.74
Aggregate amount of impairment in value of investment	-	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

7 Loans

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-Current		
Loan to employees	59.77	77.38
Total-A	59.77	77.38
B-Current		
Loan to employees	112.43	87.90
Total-B	112.43	87.90
Total- Loans (A+B)	172.20	165.28

a. Loans or advances to specified persons

Particulars	As at 31 March 2022		As at 31 March 2021	
	Amount outstanding	% of Total Loan	Amount outstanding	% of Total Loan
Loan to employees				
Mr Vineet Sahni-CEO and Senior Executive Director (Home Loan of ₹ 150.00 Lakhs taken on 15 October 2019. The amount will be repaid in 60 equal instalments of ₹ 2.50 Lakhs each)	75.00	42%	105.00	58%

8 Other financial assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-current		
Time deposits with others (deposits with maturity of more than 12 months)	5.00	5.00
Unpaid dividend accounts [#]	133.92	136.26
Security deposits	647.58	640.66
Total - A	786.50	781.92
B-Current		
Unbilled revenue	1,441.75	1,161.64
Interest accrued but not due on fixed deposits	0.60	2.56
Export benefits and other incentive receivable	1,818.38	1,170.95
Others	206.96	903.24
Total - B	3,467.69	3,238.39
Total- Other financial assets (A+B)	4,254.19	4,020.31

[#] The Company can utilize the balance only towards settlement of unclaimed dividend.

9 Trade receivables*

Particulars	As at 31 March 2022	As at 31 March 2021
Receivable considered good-Unsecured	23,214.44	21,631.34
Receivable - credit impaired	122.10	96.73
Less: Allowance for doubtful debts	(122.10)	(96.73)
Net-Trade receivables	23,214.44	21,631.34
Non-current	-	-
Current	23,214.44	21,631.34
Total	23,214.44	21,631.34

* 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Ageing for trade receivables

As at 31 March 2022	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	19,079.69	3,830.91	301.70	2.14	-	-	23,214.44
Credit impaired	13.68	16.88	21.19	30.28	21.33	18.74	122.10
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Balance at the end of the year	19,093.37	3,847.79	322.89	32.42	21.33	18.74	23,336.54

Ageing for trade receivables

As at 31 March 2021	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	18,233.05	3,301.12	84.54	12.63	-	-	21,631.34
Credit impaired	9.48	10.28	3.28	35.73	30.22	7.74	96.73
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Balance at the end of the year	18,242.53	3,311.40	87.82	48.36	30.22	7.74	21,728.07

Trade receivable includes amount due from companies having common directors as follows:

Party Name	As at 31 March 2022	As at 31 March 2021
Lumax Auto Technologies Limited	3,672.78	3,193.46
Lumax Ancillary Limited	222.71	136.45
Lumax Cornaglia Auto Technologies Private Limited	0.04	0.09
Mahavir Udyog	0.24	0.62
Bharat Enterprises	35.45	16.51
Lumax Integrated Ventures Private Limited	-	0.08
Lumax Mannoh Allied Technologies Limited	132.76	0.08
Lumax Mettalics Private Limited	-	0.08
Lumax Ituran Telematics Private Limited	3.16	-
Velomax Mobility Private Limited	-	0.27

10 Cash and bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
A-Cash and cash equivalents		
Cash on hand	14.10	14.98
Bank balances		
in current accounts	1,538.47	268.67
Cash and cash equivalents in Balance Sheet	1,552.57	283.65
Cash and cash equivalents in the statement of cash flows	1,552.57	283.65
B-Bank balances other than above		
Time deposits with others (deposits with maturity of more than 3 months but less than 12 months)	16.38	5.00
Margin Money with banks* (deposits with maturity of less than 12 months)	0.74	26.35
Bank balances other than above in Balance Sheet	17.12	31.35

* Margin money with banks represents fixed deposits pledged with banks for guarantees issued to government authorities.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

11 Tax assets

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provisions ₹ 3,113.16 (31 March 2021: ₹ Nil))	38.16	2.09
Duty paid under protest	500.00	500.00
Total	538.16	502.09

12 Other assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-current		
Capital advances	6,014.59	7,175.02
Prepaid expenses	24.02	27.46
B-Current		
Advance to suppliers		
Considered good	3,330.79	1,814.80
Considered doubtful	25.17	25.17
Less: Provision for doubtful advances	(25.17)	(25.17)
	3,330.79	1,814.80
Advance to employees	15.66	15.48
Export benefits receivable	56.90	60.92
Balances with government authorities	2,093.05	1,146.81
Prepaid expenses	525.80	399.41
Others	298.51	96.82
Total- Other assets	12,359.32	10,736.72
Other Non-current assets	6,038.61	7,202.48
Other Current assets	6,320.71	3,534.24
Total	12,359.32	10,736.72

13 Inventories (valued at lower of cost and net realizable value)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials and components {including stock in transit ₹ 1,783.19 Lakhs (31 March 2021: ₹ 1,906.76 Lakhs)}	14,931.62	12,022.98
Work-in-progress	3,581.19	2,893.63
Finished goods	2,465.23	2,626.87
Stock in Trade	377.62	113.28
Stores and spares (including packing material)	808.64	952.08
Moulds, tools and dies in process {including transit stock: ₹ Nil (31 March 2021: ₹ 82.54 Lakhs)}	4,270.45	3,625.38
Total	26,434.75	22,234.22

Due to the fact that certain products were slow moving and were sold below net realizable value, the Company made a provision amounting to ₹ 293.12 Lakhs (31 March 2021: ₹ 9.83 Lakhs). The above provision is included in cost of materials consumed or changes in inventories of finished goods and work-in-progress.

14 Equity Share Capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorized		
1,20,00,000 (31 March 2021: 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 2021: 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 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

14A Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares:	As at 31 March 2022		As at 31 March 2021	
	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

14 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.

14 C Details of Shareholders more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of total shares	Number of shares	% of total shares
Equity shares of ₹ 10 each fully paid held by-				
i. Stanley Electric Co. Limited	33,43,381	35.77%	33,43,381	35.77%
ii. Deepak Jain	12,43,516	13.30%	12,43,516	13.30%
iii. Anmol Jain	12,43,516	13.30%	12,43,516	13.30%
iv. Lumax Auto Technologies Limited	5,25,000	5.62%	5,25,000	5.62%
v. Lumax Finance Private Limited	4,93,367	5.28%	4,93,367	5.28%
Total	68,48,780	73.27%	68,48,780	73.27%

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.

14 D Details of Shares held by promoters during the year

Name of the promoters	Number of shares			% of total shares	% Change during the year
	As at 31 March 2021	Change	As at 31 March 2022		
i. Stanley Electric Co. Limited	33,43,381	-	33,43,381	35.77%	-
ii. Deepak Jain	12,43,516	-	12,43,516	13.30%	-
iii. Anmol Jain	12,43,516	-	12,43,516	13.30%	-
iv. Lumax Auto Technologies Limited	5,25,000	-	5,25,000	5.62%	-
v. Lumax Finance Private Limited	4,93,367	-	4,93,367	5.28%	-
vi. Thai Stanley Electric Public Co. Limited	1,62,018	-	1,62,018	1.73%	-
Total	70,10,798	-	70,10,798	75.00%	-

Name of the promoters	Number of shares			% of total shares	% Change during the year
	As at 31 March 2020	Change	As at 31 March 2021		
i. Stanley Electric Co. Limited	33,43,381	-	33,43,381	35.77%	-
ii. Deepak Jain	11,72,031	71,485	12,43,516	13.30%	0.76%
iii. Anmol Jain	11,72,031	71,485	12,43,516	13.30%	0.76%
iv. Lumax Auto Technologies Limited	5,25,000	-	5,25,000	5.62%	-
v. Lumax Finance Private Limited	4,93,367	-	4,93,367	5.28%	-
vi. Thai Stanley Electric Public Co. Limited	1,62,018	-	1,62,018	1.73%	-
vii. Dhanesh Kumar Jain	1,42,970	(1,42,970)	-	-	-1.52%
Total	70,10,798	-	70,10,798	75.00%	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

15 Other equity

A. Summary of other equity

Particulars	As at 31 March 2022	As at 31 March 2021
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		
At the beginning and at the end of the year	9,638.47	9,638.47
IV. Retained earnings		
Balance at the beginning of the year	22,343.36	21,073.83
Add: Profit for the year	3,543.37	1,703.85
Less: Appropriations		
- Dividend paid	(654.34)	(560.86)
Add: Transferred from other comprehensive income	(332.14)	126.54
Balance at the end of the year	24,900.25	22,343.36
V. Items of other comprehensive income		
Balance at the beginning of the year	-	-
Add: Remeasurements of defined benefit plans	(332.14)	126.54
Less: Transferred to retained earnings	332.14	(126.54)
Balance at the end of the year	-	-
Total- Other equity	41,336.03	38,779.14

- (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 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 2022	As at 31 March 2021
₹ 7.00 per equity share {31 March 2021: ₹ 6.00 per equity share}	654.34	560.86
Total	654.34	560.86

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 2022	As at 31 March 2021
₹ 13.50 per equity share (31 March 2021: ₹ 7.00 per equity share)	1,261.94	654.34
Total	1,261.94	654.34

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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:

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 2022	As at 31 March 2021
Total liabilities	1,02,978.61	87,842.84
Less: cash and cash equivalents	(1,552.57)	(283.65)
Adjusted net debt	1,01,426.04	87,559.19
Total equity	42,270.80	39,713.91
Adjusted net debt to equity ratio	2.40	2.20

16 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Long term (Secured)		
Vehicle loan from banks	56.51	1.89
Term loan from bank	5,777.64	-
Total long term borrowings	5,834.15	1.89
Short term		
Secured		
Short term loan from bank	2,000.00	2,000.00
Current maturities of long term loan	1,777.74	-
Current maturities of Vehicle loan from banks	31.38	10.70
Current maturities of Vehicle loan from Others	-	0.63
Cash credit/Working Capital facility from banks	14,961.91	14,008.35
Customer finance facility from banks	8,075.91	5,000.00
Unsecured		
Vendor finance facility from banks	3,717.97	9,074.57
Total short term borrowings	30,564.91	30,094.25

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 2022	Charges
Secured					
Vehicle Loans from bank	INR	2021 - 2022	7.60% -10.00%	87.89	Hypothecation of the respective vehicle
Term loan from bank	INR	2026 - 2027	5.75%	7,555.38	Exclusive charge on Land of Bawal and Plant & machinery financed from proceed of Term Loan
Short Term Loan from bank	INR	2021 - 2022	4.80%- 6.85%	2,000.00	Immovable fixed assets of Gurugram Unit & all existing & future current assets of the Company on Pari-Passu basis #

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2022	Charges
Working Capital Facility from bank	INR	2022 - 2023	5.00%-6.95%	268.91	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	2022 - 2023	5.00%-7.90%	893.00	Immovable fixed assets of Gurugram Unit & Entire Current Assets & movable fixed assets of the Company on Pari-Passu basis #
Working Capital Facility from bank	INR	2022 - 2023	4.56% to 6.10%	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	2022 - 2023	4.56% to 6.15%	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	2022 - 2023	4.55% to 6.70%	6,000.00	Immovable fixed assets of Gurugram Unit & stock & book debts & current assets of the Company on Pari-Passu basis #
Working Capital Facility from others	INR	2022 - 2023	4.40% - 4.60%	2,300.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Company on Pari-Passu basis #
Customer finance facility from banks	INR	2022 - 2023	4.80% - 7.10%	8,075.91	Immovable fixed assets of Gurugram Unit & all existing & future current assets of the Company on Pari-Passu basis #
Unsecured					
Vendor finance facility from banks	INR	2022 - 2023	5.24% to 7.10%	3,717.97	Nil

The quarterly returns of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

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% -10.00%	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 #
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

The quarterly returns of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

17 Lease liability

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-current	3,542.64	3,617.97
B-Current	135.80	98.20
Total Lease liability	3,678.44	3,716.17

18 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables		
- Total outstanding due of micro enterprises and small enterprises (refer note (a) below for details of dues to micro and small enterprises)	1,971.05	1,534.23
- Total outstanding due of creditors other than micro enterprises and small enterprises	45,435.13	35,909.52
Total	47,406.18	37,443.75

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 2022	As at 31 March 2021
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	1,890.03	1,466.38
Interest due on above	0.27	0.05
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	2.45	-
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	4.78	24.30
The amount of interest accrued and remaining unpaid at the end of each accounting year	81.02	67.85
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	-	-

Ageing for trade payable

As at 31 March 2022	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	1,944.63	26.42	-	-	-	-	1,971.05
Creditors other than micro enterprises and small enterprises	31,790.10	12,463.76	1,107.19	26.32	16.37	31.39	45,435.13
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	33,734.73	12,490.18	1,107.19	26.32	16.37	31.39	47,406.18

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Ageing for trade payable

As at 31 March 2021	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	1,529.94	4.30	-	-	-	-	1,534.24
Creditors other than micro enterprises and small enterprises	28,785.90	6,961.51	101.43	23.42	2.44	34.81	35,909.51
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	30,315.84	6,965.81	101.43	23.42	2.44	34.81	37,443.75

19 Other current financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Capital creditors	2,181.78	1,443.59
Interest accrued on borrowings/cash credit	46.53	53.17
Payable to employees	1,926.82	1,702.87
Unpaid dividend	133.92	136.26
Interest free deposits from customers	5.75	6.75
Book overdraft	-	20.34
Other liabilities*	1,382.52	4,079.10
Total- Other financial liabilities	5,677.32	7,442.08

* Other liabilities represent rate difference for price decrease not yet paid to the customers.

20 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advances from customers	2,772.28	3,558.38
Statutory dues	1,291.48	582.40
Total- Other current liabilities	4,063.76	4,140.78

21 Provisions

Particulars	Non-current	Current	Non-current	Current
	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
A-Provision for employee benefits				
Compensated absences	2,305.67	212.38	2,219.49	181.65
Gratuity (refer note 36)	1,552.95	379.64	977.05	373.39
Total-A	3,858.62	592.02	3,196.54	555.04
B-Other provisions				
Provision for warranties [Refer (a) below]	-	53.68	-	76.73
Provision for tax (net of advance tax ₹ Nil (31 March 2021: ₹ 3,487.99 Lakhs))	-	-	-	241.58
Total-B	-	53.68	-	318.31
Total- Provisions (A+B)	3,858.62	645.70	3,196.54	873.35

(a) Provision for warranties

A provision is recognised 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	76.73	87.45
Arising during the year (net of reversals)	39.80	58.18
Utilized during the year	(62.85)	(68.90)
At the end of the year	53.68	76.73

22 Income tax

A. Amounts recognised in profit or loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax for Current period		
Current tax	653.95	584.94
Deferred tax expense for prior periods	433.44	773.35
Current tax	(14.13)	(40.74)
Deferred tax expense/(benefit) (incl. MAT availment for earlier years)	(1.88)	130.58
Total	1,071.38	1,448.13

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurements of defined benefit plan	(332.14)	126.54
Current tax	116.06	(44.23)
Deferred tax expense/(benefit)	(116.06)	44.23
Net of tax	(332.14)	126.54

C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	Rate (%)	Amount	Rate (%)	Amount
Profit before tax		4,614.75		3,151.98
Enacted tax rates in India	34.94%	1,612.58	34.94%	1,101.43
Effect of:				
Tax related to prior periods (Current tax and Deferred tax)	-0.35%	(16.01)	2.85%	89.84
Dividend income	-0.14%	(6.26)	-0.13%	(4.03)
Effect of adjustment of Deferred tax prior to utilization of MAT credit	-9.18%	(423.58)	0.53%	16.59
Additional Deferred tax liability on Goodwill	-	-	8.13%	256.20
Others	-2.07%	(95.35)	-0.38%	(11.90)
Income tax expense	23.22%	1,071.38	45.94%	1,448.13

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

D. Recognised deferred tax assets and liabilities

Particulars	As at 31 March 2022			As at 31 March 2021		
	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)	-	(6,288.66)	(6,288.66)	-	(6,372.31)	(6,372.31)
Investment Property	-	(30.33)	(30.33)	-	(27.96)	(27.96)
Finance Lease liability (Net of ROU)	209.55	-	209.55	143.07	-	143.07
Provision for compensated absences	609.87	-	609.87	592.49	-	592.49
Provision for inventory, doubtful debts and advances	146.82	-	146.82	42.60	-	42.60
Provision for bonus	60.17	-	60.17	61.24	-	61.24
Provision for gratuity	587.70	-	587.70	442.50	-	442.50
Fair value gain in investment	-	(55.66)	(55.66)	-	(3.92)	(3.92)
Voluntary Separation Scheme	445.62	-	445.62	-	-	-
Carry forward MAT credits	3,064.47	-	3,064.47	4,182.71	-	4,182.71
Others	0.92	-	0.92	5.55	-	5.55
Total	5,125.12	(6,374.65)	(1,249.53)	5,470.16	(6,404.19)	(934.03)

E. Movement of temporary differences

Particulars	As at 31 March 2020	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2021	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2022
Property, plant and equipment and intangible assets (net)	(5,589.94)	(782.37)	-	(6,372.31)	83.65	-	(6,288.66)
Mark to Market gain on cross currency swaps and forward contracts	(82.94)	82.94	-	-	-	-	-
Investment Property	(26.17)	(1.79)	-	(27.96)	(2.37)	-	(30.33)
Finance Lease liability (Net of ROU)	115.67	27.40	-	143.07	66.48	-	209.55
Provision for compensated absences	542.64	49.85	-	592.49	17.38	-	609.87
Provision for inventory, doubtful debts and advances	112.48	(69.88)	-	42.60	104.22	-	146.82
Provision for bonus	61.96	(0.72)	-	61.24	(1.07)	-	60.17
Provision for gratuity	387.33	55.17	-	442.50	145.20	-	587.70
Fair value gain in investment	(0.22)	(3.70)	-	(3.92)	(51.74)	-	(55.66)
Voluntary Separation Scheme	-	-	-	-	445.62	-	445.62
Carry forward MAT credits	4,492.63	-	(309.92)	4,182.71	-	(1,118.24)	3,064.47
Others	0.67	4.88	-	5.55	(4.63)	-	0.92
Total	14.11	(638.22)	(309.92)	(934.03)	802.74	(1,118.24)	(1,249.53)

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

23 Revenue from operations*

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Finished goods	1,64,192.17	1,34,041.39
Traded goods	1,129.59	1,200.32
Moulds, tools and dies	8,210.81	5,062.10
Total Sale of products (A)	1,73,532.57	1,40,303.81
Sale of services (B)	1,130.77	1,596.08
Other operating revenues		
Scrap Sales	278.53	190.41
Others	189.23	507.77
Total Other operating revenues (C)	467.76	698.18
Total- Revenue from operations (A+B+C)	1,75,131.10	1,42,598.07

* refer note 44

24 Other Income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income		
on bank deposits	23.58	33.25
others	30.33	84.72
Dividend	17.92	11.52
Net gain on sale of property, plant and equipment	26.92	250.59
Rental income from property subleases	26.84	20.41
Provisions/creditors no longer required written back	106.90	5.49
Net gain on account of foreign exchange transaction	144.46	683.17
Net change in fair value of investment in equity shares held at FVTPL	148.04	10.59
Incentive from state government	642.44	1,294.29
Export and other incentive (refer note 42)	104.46	94.93
Miscellaneous income	66.75	34.42
Total	1,338.64	2,523.38

25 Cost of raw material and components consumed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventory of materials at the beginning of the year	12,022.98	9,735.52
Add: Purchases	1,09,197.38	88,492.68
Less: Inventory of materials at the end of the year	(14,931.62)	(12,022.98)
Total	1,06,288.74	86,205.22

25.1 Cost of moulds, tools & dies

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventory at the beginning of the year	3,625.38	2,326.13
Add: Purchases	6,919.48	5,677.25
Less: Inventory at the end of the year	(4,270.45)	(3,625.38)
Total	6,274.41	4,378.00

26 Purchase of Traded Goods

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Automotive lamps/components	921.05	449.81
Total	921.05	449.81

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer Note 13)

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
Opening 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
Closing Inventory	Finished goods	2,465.23	2,626.87
	Work-in-progress	3,581.19	2,893.63
	Stock-in-trade	377.62	113.28
		6,424.04	5,633.78
(Increase)/Decrease in Inventory	Finished goods	161.64	(480.23)
	Work-in-progress	(687.56)	(490.05)
	Stock-in-trade	(264.34)	196.90
		(790.26)	(773.38)

28 Employee benefits expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	20,792.54	17,961.13
Contribution to provident and other funds	1,099.23	950.95
Compensated absences	573.97	352.05
Gratuity (refer note 36)	316.33	320.28
Staff welfare	1,301.81	1,095.37
Total	24,083.88	20,679.78

28.1 Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net Loss on account of Voluntary Separation Scheme [#]	(1,713.95)	-

[#] During the year ended on 31 March 2022, the Company has introduced a Voluntary Separation Scheme (VSS) and the Company has disbursed the amount of ₹ 1,713.95 Lakhs on account of Voluntary Separation Scheme (VSS) to the employees of Gurugram plant.

29 Finance costs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses on financial liabilities (net of Capitalized ₹ 300.80 Lakhs (31 March 2021: ₹ 37.52 Lakhs))	2,116.21	2,738.79
Interest-others	25.28	108.75
Total	2,141.49	2,847.54

30 Depreciation and amortization expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant & equipment	5,942.23	6,039.68
Depreciation on right of use of assets (net of capitalized ₹ 88.51 Lakhs (31 March 2021: ₹ 14.42 Lakhs))	184.18	179.30
Amortization of intangible assets	240.39	232.34
Total	6,366.80	6,451.32

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

31 Other expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Stores and spares	790.82	657.85
Packing material	4,717.23	3,507.88
Power and fuel	5,159.07	4,367.37
Rent (refer note 34)	358.64	297.65
Rates and taxes	76.98	52.85
Insurance	357.43	399.40
Repairs and maintenance	2,659.13	2,572.14
Freight and forwarding	3,073.71	2,590.16
Bank charges	32.42	76.56
Travelling and conveyance	774.97	595.19
Legal and professional	456.23	391.25
Management support fees	2,294.82	2,076.43
Design, support and testing charges	330.49	672.05
Directors' sitting fees	38.20	27.00
Payment to auditors (refer note 31.1 below)	57.26	57.53
Royalty	2,453.43	1,957.74
Warranty	39.80	58.18
Bad Debts	-	33.89
Advances written off	13.15	34.87
Provision for doubtful debts	25.37	34.41
Selling and promotion	113.45	53.05
Communication	129.37	108.38
Printing & stationery	108.06	88.40
Contribution towards Corporate Social Responsibility (refer note 31.2 below)	134.45	163.81
Mark to Market loss on cross currency swaps and forward contracts	-	237.34
Donations	4.55	10.98
Miscellaneous	655.90	608.82
Total	24,854.93	21,731.18

Above expenses include research and development expenses (refer note 41).

31.1 Payment to Auditors (excluding applicable taxes)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As auditor:		
Audit fee	23.25	23.25
Tax audit fee	3.00	3.00
Limited Review	23.25	23.25
In other capacity:		
Certification fees	4.50	4.50
Reimbursement of expenses	3.26	3.53
Total	57.26	57.53

31.2 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 ₹ 128.87 Lakhs (31 March 2021: ₹ 163.81 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 ₹ 134.45 Lakhs {31 March 2021 ₹ 163.81 Lakhs (including unutilized amount of ₹ 46.54 Lakhs pertaining to ongoing projects)} and has accordingly charged the same to the Statement of Profit and Loss.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Details of CSR expenditure:	Year ended 31 March 2022	Year ended 31 March 2021
(a) Gross amount required to be spent by the Company during the year	128.87	163.81
(b) Amount approved by the Board to be spent during the year	130.00	163.81
(c) Amount spent during the year ending:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above in cash	134.45	163.81
(d) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	21.00	21.05
ii) Contribution to Charitable Trust	113.45	96.22
iii) Unspent amount in relation to:		
Ongoing project	-	46.54
Other than ongoing project	-	-

32 Earnings per share (EPS)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for attributable to equity shareholders	3,543.37	1,703.85
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)}	37.91	18.23

33 Details of Key Ratio

Ratio Analysis for the FY 2021-22

Based on year closing data	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reasons for changes in ratio by more than 25% as compared to preceding year
(i) Current Ratio	Current Assets	Current Liabilities	0.69	0.64	8%	
(ii) Return on equity Ratio (incl. Extraordinary)	Net Profit after tax	Average Shareholders' Equity	8.64%	4.36%	98%	Note (a)
(iii) Debt Equity Ratio	Total Debt	Shareholders' Equity	0.86	0.76	14%	
(iv) Net Profit Ratio (incl. Extraordinary)	Net Profit	Net Sales	2.02%	1.19%	69%	Note (a)
(v) Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.86	4.70	3%	
(vi) Net Capital Turnover Ratio	Net Sales	Working Capital	-6.40	-4.91	30%	Note (a)
(vii) Trade Receivable Turnover Ratio	Revenue from operations	Average Trade receivables	7.81	7.32	7%	
(viii) Trade Payable Turnover Ratio	Total Purchases	Average Trade Payable	2.89	2.86	1%	
(ix) Debt Service Coverage Ratio	Earnings for Debt Service	Debit Service	2.99	2.39	25%	Note (a)
(x) Return on Capital Employed	EBIT	Capital Employed	8.64%	8.66%	0%	
(xi) Return on Investment	Income generated from investments*	Average investments	25.06	4.17	501%	Note (b)

* Includes dividend income and gain on change in fair value of investments

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

Note:

- (a) The operations of the Company were severely affected in the last year due to COVID-19 resulting in significant decline in net sales and profits. Despite second and Third wave of COVID-19 in the current year, Net sales and Net profits have improved significantly.
- (b) The variance is on account of increase in fair value gain on Investment in Caparo Power Limited and PNB Gilt Limited in the current year vis-à-vis previous year

34 Disclosure required by Ind AS 116

Particulars	Amount 31 March 2022	Amount 31 March 2021
Right of Use of asset ('ROU')	2,842.82	3,074.04
Transfer of Leasehold land from Property, plant and equipment (net of accumulated depreciation)	-	-
Finance lease liability	(3,678.44)	(3,716.17)
Provision for lease equalization adjusted against ROU by applying para C8(c) (ii) of IND AS 116	-	-

The amounts recognised in Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on lease liabilities (net of Capitalized ₹ 68.86 Lakhs (31 March 2021: ₹ 11.69 Lakhs))	250.46	251.48
Expenses relating to short-term leases	305.62	242.65
Expenses relating to leases of low-value assets	53.02	55.00
Total	609.10	549.13

Further, The total cash outflow relating to lease payments during the year amounts to ₹ 398.52 Lakhs (31 March 2021: ₹ 296.34 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 2022	Net Block of ROU as at 31 March 2022	Depreciation for the year ended March 31, 2021	Net Block of ROU as at March 31, 2021
Leasehold land (transferred from Property, plant and equipment)	1.66	123.80	1.66	125.46
Leasehold land and building (gross of capitalization ₹ 88.51 Lakhs (31 March 2021 - ₹ 14.42 Lakhs))	225.75	2,147.70	146.79	2,331.98
Solar power plant	45.28	571.32	45.28	616.60
Total	272.69	2,842.82	193.73	3,074.04

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 ₹ 26.84 Lakhs (previous year ₹ 20.41 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 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

The entity wide disclosures as required by Ind AS -108 are as follows:

A. Product/Service Description

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Finished goods	1,64,192.17	1,34,041.39
Traded goods	1,129.59	1,200.32
Moulds, tools and dies	8,210.81	5,062.10
Sale of services	1,130.77	1,596.08
Other operating revenues		
Scrap sales	278.53	190.41
Others	189.23	507.77
Total	1,75,131.10	1,42,598.07

B. Revenue from external customer

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
India	1,71,362.18	1,38,823.33
Other countries*	3,768.92	3,774.74
Total	1,75,131.10	1,42,598.07

*Exports to any single country are not material to be disclosed

C. Non current assets**

Particulars	As at 31 March 2022	As at 31 March 2021
India	82,494.55	75,120.52
Other countries#	-	-
Total	82,494.55	75,120.52

** 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 2022	Year ended 31 March 2021
Maruti Suzuki India Limited	42,249.37	35,328.64
Honda Motorcycle and Scooter India Private Limited	24,831.71	21,187.04
Suzuki Motor Gujrat Private Limited	20,391.58	13,849.44
Mahindra & Mahindra Limited	16,643.71	13,266.02

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 ₹ 1,099.23 Lakhs (previous year ₹ 950.95 Lakhs) has been recognised 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 ₹ 379.64 Lakhs in contributions to its defined benefit plans in 2022-23.

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

a) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	3,389.30	3,175.81
Benefits paid	(1,410.46)	(111.77)
Current service cost	227.28	240.76
Interest cost	181.44	214.34
Actuarial (gains) losses recognised in other comprehensive income		
changes in demographic/financial assumptions	83.60	(74.95)
experience adjustments	286.32	(54.89)
Balance at the end of the year	2,757.48	3,389.30

b) Reconciliation of the present value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	2,038.86	2,017.36
Contributions paid into the plan	66.34	1.76
Benefits paid	(1,410.48)	(111.78)
Interest income	92.39	134.81
Actuarial (gains) losses recognised in other comprehensive income	37.78	(3.29)
Balance at the end of the year	824.89	2,038.86
Net defined benefit liability(asset) at the end of the year	1,932.59	1,350.44

c) Expense recognised in Statement of Profit and Loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	227.28	240.76
Interest cost	181.44	214.34
Past service gain	-	-
Interest income	(92.39)	(134.81)
Total	316.33	320.29

d) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain) loss on defined benefit obligation	369.92	(129.83)
Return on plan assets excluding interest income	(37.78)	3.29
Total	332.14	(126.54)

e) Plan assets

Plan assets comprise of the following:

Particulars	As at 31 March 2022	As at 31 March 2021
Investment with Insurer	804.00	2,016.05
%age	97.47%	98.88%
Bank	20.89	22.81
%age	2.53%	1.12%

C. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.24%	6.76%
Future salary growth	7.00%	6.00%
Attrition rate	9.00%	8.00%

At 31 March 2022, the weighted-average duration of the defined benefit obligation was 20.41 years (31 March 2021: 19.90 years).

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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 2022		Year ended 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(152.54)	169.95	(185.28)	205.55
Future salary growth (1% movement)	161.84	(149.01)	198.87	(182.97)
Attrition rate (1% movement)	2.91	(1.85)	6.63	(7.52)

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.

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 2022			As at 31 March 2021		
		Cost	FVTPL	Amortized cost	Cost	FVTPL	Amortized cost
Financial assets							
Non-current							
Investments*	6	354.74	408.00	-	354.74	160.00	-
Loans	7	-	-	59.77	-	-	77.38
Others	8	-	-	786.50	-	-	781.92
Current							
Investments	6	-	26.14	-	-	21.10	-
Trade receivables	9	-	-	23,214.44	-	-	21,631.34
Cash and cash equivalents	10	-	-	1,552.57	-	-	283.65
Bank balances other than above	10	-	-	17.12	-	-	31.35
Loans	7	-	-	112.43	-	-	87.90
Others	8	-	-	3,467.69	-	-	3,238.39
Total		354.74	434.14	29,210.52	354.74	181.10	26,131.93
Financial liabilities							
Non-current							
Borrowings	16	-	-	5,834.15	-	-	1.89
Lease liabilities	17	-	-	3,542.64	-	-	3,617.97
Current							
Borrowings	16	-	-	30,564.91	-	-	30,094.25
Lease liabilities	17	-	-	135.80	-	-	98.20
Trade payables	18	-	-	47,406.18	-	-	37,443.75
Other financial liabilities	19	-	-	5,677.32	-	-	7,442.08
Total		-	-	93,161.00	-	-	78,698.14

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 2022			As at 31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non - Current						
Investments	-	-	408.00	-	-	160.00
Current						
Investments	26.14	-	-	21.10	-	-
Derivatives	-	-	-	-	-	-

* Investment in associate is carried at cost

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

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, lease liabilities, 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.

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			
Investments	Market Comparable	EBIDTA	The estimated fair value would increase (decrease) if EBITDA were higher (lower).
	Price of recent transactions	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 2022 and 31 March 2021.

(iii) Level 3 fair values

There have been no transfers to and from Level 3 during the year ended 31 March 2022 and 31 March 2021.

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 amortized 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

(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 analyze 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

(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 2022	As at 31 March 2021
Balance as at the beginning of the year	96.73	296.71
Additions made during the year	25.37	34.50
Utilized during the year	(0.00)	(234.48)
Balance as at the end of the year	122.10	96.73

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 organizations 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.

(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 ₹ 20,000 Lakhs.
- Vendor and customer finance facility limit of ₹ 15,800 Lakhs.
- Credit/bank guarantee limit of ₹ 13,500 Lakhs.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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

Particulars	As at 31 March 2022			As at 31 March 2021		
	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	87.89	31.38	56.51	12.59	10.70	1.89
Vehicle loan from others	-	-	-	0.63	0.63	-
Other borrowings						
Secured						
Term loan from bank	9,555.38	3,777.74	5,777.64	2,000.00	2,000.00	-
Cash credit/Working Capital facility from banks	14,961.91	14,961.91	-	14,008.35	14,008.35	-
Customer finance facility from banks	8,075.91	8,075.91	-	5,000.00	5,000.00	-
Unsecured						
Vendor finance facility from banks	3,717.97	3,717.97	-	9,074.57	9,074.57	-
Lease liability	6,363.16	441.58	5,921.58	6,696.63	389.49	6,307.14
Trade payables	47,406.18	47,406.18	-	37,443.75	37,443.75	-
Other financial liabilities						
Capital creditors	2,181.78	2,181.78	-	1,443.59	1,443.59	-
Interest accrued on borrowings/cash credit	46.53	46.53	-	53.17	53.17	-
Payable to employees	1,926.82	1,926.82	-	1,702.87	1,702.87	-
Unpaid dividend	133.92	133.92	-	136.26	136.26	-
Interest free deposits from customers	5.75	5.75	-	6.75	6.75	-
Book overdraft	-	-	-	20.34	20.34	-
Other liabilities	1,382.52	1,382.52	-	4,079.10	4,079.10	-
Total	95,845.72	84,089.99	11,755.73	81,678.60	75,369.57	6,309.03

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.

(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 optimizing 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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

As at 31 March 2022	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognised financial assets / (liabilities)	
					Foreign currency	INR
EUR	0.27	-	-	3.79	4.06	342.15
GBP	-	-	-	6.02	6.02	598.45
JPY	-	-	(389.00)	-	(389.00)	(241.77)
USD	-	-	(103.18)	6.52	(96.66)	(7,326.33)
TWD	0.80	-	-	-	0.80	2.11
CZK	23.66	-	(10.27)	-	13.39	46.07

As at 31 March 2021	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognised 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
IDR	-	-	(1,482.52)	-	(1,482.52)	(7.44)

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 2022		Year ended 31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	(73.26)	73.26	(48.08)	48.08
JPY (1% movement)	(2.42)	2.42	(0.67)	0.67
EUR (1% movement)	3.42	(3.42)	3.37	(3.37)
GBP (1% movement)	5.98	(5.98)	6.43	(6.43)
Other currencies	0.48	(0.48)	(0.07)	0.07

(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:

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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 2022	As at 31 March 2021
Borrowings		
Term loans (fixed interest)	9,643.27	2,013.22
Cash credit/Working capital facility (variable interest)	14,961.91	14,008.35
Vendor finance facility (variable interest)	3,717.97	9,074.57
Customer finance facility (variable interest)	8,075.91	5,000.00
Total	36,399.06	30,096.14

The Company's fixed rate borrowings are carried at amortized 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 2022	Year ended 31 March 2021
1% increase	(407.70)	(297.43)
1% decrease	407.70	297.43

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
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) 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)

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	Name of Related parties
5	Entity Controlled / significantly influenced by Key Management Personnel and/or their Relatives	Lumax Auto Technologies Limited
		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 (under Voluntary strike off)
		Bharat Enterprises
		Mahavir Udyog
		D.K. Jain & Sons (HUF) (upto 18.12.2020)
		Lumax FAE Technologies Private Limited
		Lumax Ituran Telematics Private Limited
		Lumax Metallics Private Limited
		Lumax Integrated Ventures Private Limited
		Sipal Engineering Private Limited (under Voluntary strike off- Petition filed with NCLT)
		Backcountry Estates Private Limited
		Velomax Mobility Private Limited (Company strike off by ROC on 22.12.2021 upon Voluntary application filed through Form STK-2)
		Finetone Acoustic Private Limited
Lumax Alps Alpine India 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
		Tianjin Stanley Electric Technology Co. Limited
		Vietnam Stanley Electric Co. Limited
		Shenzhen Stanley Electric Co. Limited
		Guangzhou Stanley Electric Co. Limited
		Sirivit-Stanley Co. Limited
		Stanley Iwaki Works Limited
		Stanley Electric Do Brasil Limited

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
i)	Sale of Raw Materials and Components (grouped in Consumption)**														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	168.65	246.49	-	-	-	-	246.49	168.65
	Lumax Ancillary Limited	-	-	-	-	-	-	239.49	225.21	-	-	-	-	225.21	239.49
	Bharat Enterprises	-	-	-	-	-	-	73.24	262.45	-	-	-	-	262.45	73.24
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.10	0.51	-	-	-	-	0.51	0.10
ii)	Sale of Finished Goods (including Semi-finished Goods)**														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	8,601.83	10,665.71	-	-	-	-	10,665.71	8,601.83
	Lumax Ancillary Limited	-	-	-	-	-	-	171.14	160.77	-	-	-	-	160.77	171.14
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	-	281.44	-	-	-	-	281.44	-
	Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	-	3.16	-	-	-	-	3.16	-
	Stanley Electric Do Brasil Limited	-	-	-	-	-	-	-	-	3.74	5.34	-	-	3.74	5.34
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	0.37	0.56	-	-	0.37	0.56
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	-	0.20	-	-	-	0.20
	Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	10.13	-	-	-	10.13	-
	Stanley Electric Co. Limited	61.05	8.90	-	-	-	-	-	-	-	-	-	-	61.05	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	-	-	-	-	-	-	-	0.99	-	-	-	-	0.99	-
iv)	Sale of Services**														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	184.01	-	-	-	-	184.01	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	23.20	37.43	-	-	23.20	37.43
PT Indonesia Stanley Electric	-	-	-	-	-	-	-	-	11.96	-	-	-	11.96	-
Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	14.32	-	-	-	14.32	-
Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	12.31	-	-	-	12.31	-
Stanley Electric Co. Limited	75.92	600.39	-	-	-	-	-	-	-	-	-	-	75.92	600.39
v) Purchase of Raw Materials, Components and Moulds**														
Lumax Auto Technologies Limited	-	-	-	-	-	-	14,204.77	12,333.43	-	-	-	-	14,204.77	12,333.43
Lumax Ancillary Limited	-	-	-	-	-	-	8,209.09	6,703.10	-	-	-	-	8,209.09	6,703.10
Lumax Tours & Travels Limited	-	-	-	-	-	-	10.71	-	-	-	-	-	10.71	-
Bharat Enterprises	-	-	-	-	-	-	3,344.93	2,287.14	-	-	-	-	3,344.93	2,287.14
Mahavir Udyog	-	-	-	-	-	-	157.31	197.23	-	-	-	-	157.31	197.23
Lumax Mannoht Allied Technologies Limited	-	-	-	-	-	-	49.88	-	-	-	-	-	49.88	-
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	215.31	892.95	-	-	215.31	892.95
Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	1,532.79	698.38	-	-	1,532.79	698.38
Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	4,053.65	3,225.73	-	-	4,053.65	3,225.73
Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	443.02	1,469.94	-	-	443.02	1,469.94
Tianjin Stanley Electric Technology Co. Limited	-	-	-	-	-	-	-	-	172.04	-	-	-	172.04	-
Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	46.16	26.39	-	-	46.16	26.39
Sirvit-Stanley Co. Limited	-	-	-	-	-	-	-	-	603.01	802.12	-	-	603.01	802.12
Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	129.10	29.48	-	-	129.10	29.48
Stanley Iwaki Works Limited	-	-	-	-	-	-	-	-	3.41	-	-	-	3.41	-
Stanley Electric Co. Limited	4,996.72	5,466.53	-	-	-	-	-	-	-	-	-	-	4,996.72	5,466.53

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
vi) Purchase of Packing Material**														
Mahavir Udyog	-	-	-	-	-	-	3,029.81	2,135.06	-	-	-	-	3,029.81	2,135.06
Lumax Auto Technologies Limited	-	-	-	-	-	-	0.21	-	-	-	-	-	0.21	-
vii) Purchase of Stores & Spares**														
Lumax Auto Technologies Limited	-	-	-	-	-	-	0.34	0.24	-	-	-	-	0.34	0.24
Lumax Ancillary Limited	-	-	-	-	-	-	0.47	0.75	-	-	-	-	0.47	0.75
Bharat Enterprises	-	-	-	-	-	-	0.01	-	-	-	-	-	0.01	-
Mahavir Udyog	-	-	-	-	-	-	-	0.16	-	-	-	-	-	0.16
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	1.70	-	-	-	1.70	-
viii) Purchase of Fixed Assets**														
Lumax Ancillary Limited	-	-	-	-	-	-	7.66	-	-	-	-	-	7.66	-
Lumax Management Services Private Limited	-	-	-	-	-	-	-	73.02	-	-	-	-	-	73.02
Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	178.04	-	-	-	-	178.04
Stanley Iwaki Works Limited	-	-	-	-	-	-	-	-	4.12	-	-	-	4.12	-
Stanley Electric Co. Limited	571.36	117.18	-	-	-	-	-	-	-	-	-	-	571.36	117.18
ix) Purchase of Traded Goods**														
Lumax Auto Technologies Limited	-	-	-	-	-	-	-	0.17	-	-	-	-	-	0.17
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	78.60	-	-	-	78.60
Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	628.81	392.53	-	-	628.81	392.53
x) Technical Charges**														
Design & Drawing Charges														
Stanley Electric Co. Limited	180.22	474.81	-	-	-	-	-	-	-	-	-	-	180.22	474.81
Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	11.09	78.53	-	-	11.09	78.53
Tianjin Stanley Electric Technology Co. Limited	-	-	-	-	-	-	-	-	88.37	-	-	-	88.37	-
Lumax Auto Technologies Limited	-	-	-	-	-	-	40.10	-	-	-	-	-	40.10	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Testing Charges														
Stanley Electric Co. Limited	46.56	70.63	-	-	-	-	-	-	-	-	-	-	46.56	70.63
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	1.93	-	-	-	-	1.93
Lumax Auto Technologies Limited	-	-	-	-	-	-	6.46	3.70	-	-	-	-	6.46	3.70
Lumax Ancillary Limited	-	-	-	-	-	-	0.16	-	-	-	-	-	0.16	-
Management Support Fee														
Stanley Electric Co. Limited	949.88	991.29	-	-	-	-	-	-	-	-	-	-	949.88	991.29
Lumax Management Services Private Limited	-	-	-	-	-	-	1,584.92	1,291.60	-	-	-	-	1,584.92	1,291.60
xj) Rent Income**														
Lumax Management Services Private Limited	-	-	-	-	-	-	5.10	5.52	-	-	-	-	5.10	5.52
Sipal Engineering Private Limited	-	-	-	-	-	-	0.04	0.18	-	-	-	-	0.04	0.18
Lumax Finance Private Limited	-	-	-	-	-	-	0.17	0.18	-	-	-	-	0.17	0.18
Lumax Metallics Private Limited	-	-	-	-	-	-	0.17	0.18	-	-	-	-	0.17	0.18
Lumax Integrated Ventures Private Limited	-	-	-	-	-	-	0.17	0.18	-	-	-	-	0.17	0.18
Lumax Auto Technologies Limited	-	-	-	-	-	-	0.06	0.06	-	-	-	-	0.06	0.06
Lumax Ancillary Limited	-	-	-	-	-	-	24.60	0.18	-	-	-	-	24.60	0.18
Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.17	0.25	-	-	-	-	0.17	0.25
Lumax Tours & Travels Limited	-	-	-	-	-	-	0.17	0.18	-	-	-	-	0.17	0.18
Lumax FAE Technologies Private Limited	-	-	-	-	-	-	0.08	-	-	-	-	-	0.08	-
Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	0.08	-	-	-	-	-	0.08	-
Lumax Jopp Allied Technologies Limited	-	-	-	-	-	-	0.06	0.05	-	-	-	-	0.06	0.05
Lumax Alps Alpine India Private Limited	-	-	-	-	-	-	0.08	-	-	-	-	-	0.08	-
Lumax Yokowo Technologies Private Limited	-	-	-	-	-	-	0.18	-	-	-	-	-	0.18	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	-	-	-	-	-	-	0.17	-	-	-	-	-	0.17	-
Backcountry Estates Private Limited	-	-	-	-	-	-	0.03	0.18	-	-	-	-	0.03	0.18
Velomax Mobility Private Limited	-	-	-	-	-	-	0.19	-	-	-	-	-	0.19	-
Finetone Acoustic Private Limited	-	-	-	-	-	-	0.17	17.28	-	-	-	-	0.17	17.28
Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	296.99	273.51	-	-	-	-	296.99	273.51
xii) Rent Expense**														
Lumax Auto Technologies Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
xiii) Payment to Chairman Emeritus														
Mr Dhanesh Kumar Jain	-	-	-	-	30.00	15.00	-	-	-	-	-	-	30.00	15.00
xiv) Managerial Remuneration (short term employee benefits)*														
Mr Deepak Jain#	-	-	135.84	76.04	-	-	-	-	-	-	-	-	135.84	76.04
Mr Anmol Jain#	-	-	53.66	26.83	-	-	-	-	-	-	-	-	53.66	26.83
Mr Tadayoshi Aoki	-	-	17.75	16.34	-	-	-	-	-	-	-	-	17.75	16.34
Mr Koji Sawada	-	-	-	3.30	-	-	-	-	-	-	-	-	-	3.30
Mr Kenjiro Nakazono	-	-	19.11	13.96	-	-	-	-	-	-	-	-	19.11	13.96
Mr Vineet Sahni#	-	-	337.51	211.67	-	-	-	-	-	-	-	-	337.51	211.67
*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	-	-	341.36	164.13	-	-	-	-	-	-	-	-	341.36	164.13
Mr Anmol Jain	-	-	75.67	-	-	-	-	-	-	-	-	-	75.67	-
Mr Vineet Sahni	-	-	70.97	34.37	-	-	-	-	-	-	-	-	70.97	34.37
# 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.														
xvi) Royalty (gross)														
Stanley Electric Co. Limited	2,253.43	1,859.43	-	-	-	-	-	-	-	-	-	-	2,253.43	1,859.43
xvii) Dividend Paid														
Mr Deepak Jain	-	-	87.05	70.32	-	-	-	-	-	-	-	-	87.05	70.32
Mr Anmol Jain	-	-	87.05	70.32	-	-	-	-	-	-	-	-	87.05	70.32
D.K. Jain & Sons (HUF)	-	-	-	-	-	-	8.58	-	-	-	-	-	-	8.58

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Lumax Auto Technologies Limited	-	-	-	-	-	-	36.75	31.50	-	-	-	-	36.75	31.50
Lumax Finance Private Limited	-	-	-	-	-	-	34.54	29.60	-	-	-	-	34.54	29.60
Stanley Electric Co. Limited	234.04	200.60	-	-	-	-	-	-	-	-	-	-	234.04	200.60
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	11.34	9.72	-	-	11.34	9.72
xviii) Travelling & Conveyance**														
Lumax Tours & Travels Limited	-	-	-	-	-	-	245.55	59.30	-	-	-	-	245.55	59.30
Stanley Electric Co. Limited	-	7.79	-	-	-	-	-	-	-	-	-	-	-	7.79
xix) Freight Inward**														
Lumax Auto Technologies Limited	-	-	-	-	-	-	1.18	0.03	-	-	-	-	1.18	0.03
xx) Insurance Charges**														
Lumax Management Services Private Limited	-	-	-	-	-	-	-	27.58	-	-	-	-	-	27.58
xxi) Legal & Professional Charges**														
Lumax Ancillary Limited	-	-	-	-	-	-	1.38	-	-	-	-	-	1.38	-
Lumax Management Services Private Limited	-	-	-	-	-	-	10.56	10.37	-	-	-	-	10.56	10.37
xxii) Miscellaneous Expenses**														
Lumax Auto Technologies Limited	-	-	-	-	-	-	3.03	34.88	-	-	-	-	3.03	34.88
Lumax Ancillary Limited	-	-	-	-	-	-	0.40	0.25	-	-	-	-	0.40	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	-	-	-	-	-	-	0.05	-	-	-	-	-	0.05	-
xxiii) Packing & Forwarding**														
Lumax Ancillary Limited	-	-	-	-	-	-	1.24	-	-	-	-	-	1.24	-
Lumax Auto Technologies Limited	-	-	-	-	-	-	0.02	0.28	-	-	-	-	0.02	0.28
xxiv) Salaries, wages and bonus														
Lumax Auto Technologies Limited	-	-	-	-	-	-	18.79	20.26	-	-	-	-	18.79	20.26
Lumax Ancillary Limited	-	-	-	-	-	-	-	2.62	-	-	-	-	-	2.62

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Stanley Electric Co. Limited	18.80	89.15	-	-	-	-	-	-	-	-	-	-	18.80	89.15
Mr Vyom Sahni	-	-	11.70	4.21	-	-	-	-	-	-	-	-	11.70	4.21
xxv) Printing & Stationery Expenses**														
Lumax Auto Technologies Limited	-	-	-	-	-	0.51	-	-	-	-	-	-	-	0.51
xxvi) Reimbursement Received														
Lumax Auto Technologies Limited	-	-	(410.29)	(139.34)	-	-	-	-	-	-	-	-	(410.29)	(139.34)
Lumax Management Services Private Limited	-	-	(7.47)	(14.25)	-	-	-	-	-	-	-	-	(7.47)	(14.25)
Lumax Ancillary Limited	-	-	(11.59)	(16.53)	-	-	-	-	-	-	-	-	(11.59)	(16.53)
Bharat Enterprises	-	-	(13.76)	(3.98)	-	-	-	-	-	-	-	-	(13.76)	(3.98)
Mahavir Udyog	-	-	(1.37)	(0.78)	-	-	-	-	-	-	-	-	(1.37)	(0.78)
Stanley Electric Co. Limited	(222.32)	(225.53)	-	-	-	-	-	-	-	-	-	-	(222.32)	(225.53)
xxvii) Repair to Plant & Machinery**														
Lumax Ancillary Limited	-	-	0.93	-	-	-	-	-	-	-	-	-	0.93	-
Bharat Enterprises	-	-	0.61	-	-	-	-	-	-	-	-	-	0.61	-
xxviii) Repairs & Maintenance- Others**														
Lumax Management Services Private Limited	-	-	116.80	106.37	-	-	-	-	-	-	-	-	116.80	106.37
Stanley Electric Co. Limited	12.18	11.56	-	-	-	-	-	-	-	-	-	-	12.18	11.56
xxix) Sales promotion**														
Lumax Tours & Travels Limited	-	-	6.65	3.94	-	-	-	-	-	-	-	-	6.65	3.94
Lumax Management Services Private Limited	-	-	9.63	-	-	-	-	-	-	-	-	-	9.63	-
xxx) Welfare (Staff And Labor)**														
Lumax Auto Technologies Limited	-	-	-	0.51	-	-	-	-	-	-	-	-	-	0.51
Lumax Tours & Travels Limited	-	-	-	(1.68)	-	-	-	-	-	-	-	-	-	(1.68)
Lumax Management Services Private Limited	-	-	5.72	1.68	-	-	-	-	-	-	-	-	5.72	1.68
Stanley Electric Co. Limited	-	3.36	-	-	-	-	-	-	-	-	-	-	-	3.36

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
xxxii) Liabilities no longer required written back														
Stanley Electric Co. Limited	-	2.10	-	-	-	-	-	-	-	-	-	-	-	2.10
PT Indonesia Stanley Electric	-	-	-	-	-	-	-	-	7.01	-	-	-	-	7.01
xxxiii) Bad debts														
Guangzhou Stanley Electric Co.Limited	-	-	-	-	-	-	-	-	-	2.84	-	-	-	2.84
xxxiv) Job Work Charges**														
Lumax Ancillary Limited	-	-	-	-	-	-	2.31	6.34	-	-	-	-	-	2.31
xxxv) Power & Fuel Expenses														
Lumax Ancillary Limited	-	-	-	-	-	-	3.46	-	-	-	-	-	-	3.46
xxxvi) Donations														
Lumax Charitable Foundation	-	-	-	-	-	-	4.55	10.98	-	-	-	-	-	4.55
xxxvii) Corporate Social Responsibility Contribution (CSR)														
Lumax Charitable Foundation	-	-	-	-	-	-	113.45	142.76	-	-	-	-	-	113.45
xxxviii) Sitting Fee														
Mr Avinash Parkash Gandhi	-	-	8.20	5.20	-	-	-	-	-	-	-	-	-	8.20
Mr Rajeev Kapoor	-	-	5.60	4.00	-	-	-	-	-	-	-	-	-	5.60
Mr Munish Chandra Gupta	-	-	-	2.60	-	-	-	-	-	-	-	-	-	2.60
Mr Rattan Kapur	-	-	7.40	4.80	-	-	-	-	-	-	-	-	-	7.40
Mrs Ritika Modi	-	-	4.40	2.40	-	-	-	-	-	-	-	-	-	4.40
Mr Vikrampati Singhania	-	-	4.40	1.20	-	-	-	-	-	-	-	-	-	4.40
Mr Dhiraj Dhar Gupta	-	-	8.20	6.80	-	-	-	-	-	-	-	-	-	8.20

** The amount is inclusive of GST wherever applicable

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
<i>ii)</i>	Trade Receivables														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	3,672.78	3,193.46	-	-	-	-	3,672.78	3,193.46
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	0.04	0.09	-	-	-	-	0.04	0.09
	Lumax Ancillary Limited	-	-	-	-	-	-	222.71	136.45	-	-	-	-	222.71	136.45
	Bharat Enterprises	-	-	-	-	-	-	35.45	16.51	-	-	-	-	35.45	16.51
	Lumax Integrated Ventures Private Limited	-	-	-	-	-	-	-	0.08	-	-	-	-	-	0.08
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	132.76	0.08	-	-	-	-	132.76	0.08
	Lumax Metallics Private Limited	-	-	-	-	-	-	-	0.08	-	-	-	-	-	0.08
	Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	3.16	-	-	-	-	-	3.16	-
	Mahavir Udyog	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Stanley Electric Co. Limited	34.17	7.08	-	-	-	-	0.24	0.62	-	-	-	-	0.24	0.62
	Stanley Electric Do Brasil Limited	-	-	-	-	-	-	-	-	-	1.05	-	-	-	1.05
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	7.83	-	-	-	7.83
	Velomax Mobility Private Limited	-	-	-	-	-	-	-	0.27	-	-	-	-	-	0.27
	Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	10.33	-	-	-	10.33	-
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	14.63	-	-	-	14.63	-
<i>ii)</i>	Advance received from Customers														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	11.18	-	-	-	-	-	11.18	-
	Bharat Enterprises	-	-	-	-	-	-	-	0.59	-	-	-	-	-	0.59
	Stanley Electric Co. Limited	1.99	-	-	-	-	-	-	-	-	-	-	-	1.99	-

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
iii)	Other Recoverable														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	300.00	66.45	-	-	-	-	300.00	66.45
iv)	Trade Payables														
	Lumax Auto Technologies Limited	-	-	-	-	-	-	7,216.58	5,676.99	-	-	-	-	7,216.58	5,676.99
	Lumax Tours & Travels Limited	-	-	-	-	-	-	30.50	7.89	-	-	-	-	30.50	7.89
	Lumax Ancillary Limited	-	-	-	-	-	-	2,591.61	1,739.65	-	-	-	-	2,591.61	1,739.65
	Bharat Enterprises	-	-	-	-	-	-	363.09	432.19	-	-	-	-	363.09	432.19
	Mahavir Udyog	-	-	-	-	-	-	882.78	401.35	-	-	-	-	882.78	401.35
	Lumax Management Services Private Limited	-	-	-	-	-	-	508.65	298.34	-	-	-	-	508.65	298.34
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	22.04	-	-	-	-	-	22.04	-
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	21.28	599.65	-	-	21.28	599.65
	Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	973.02	127.97	-	-	973.02	127.97
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	217.06	130.22	-	-	217.06	130.22
	Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	-	7.44	-	-	-	7.44
	Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	1,140.84	916.31	-	-	1,140.84	916.31
	Srivit-Stanley Co. Limited	-	-	-	-	-	-	-	-	172.41	39.94	-	-	172.41	39.94
	Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	68.29	2.92	-	-	68.29	2.92
	Tianjin Stanley Electric Technology Co. Limited	-	-	-	-	-	-	-	-	204.93	694.08	-	-	204.93	694.08
	Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	13.26	11.55	-	-	13.26	11.55
	Stanley Electric Co. Limited	2,984.99	2,966.93	-	-	-	-	-	-	-	-	-	-	2,984.99	2,966.93
v)	Capital Advance														
	Lumax Ancillary Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
vi)	Advance paid to Vendors														
	Lumax Tours & Travels Limited	-	-	-	-	-	-	0.82	3.45	-	-	-	-	0.82	3.45

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (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
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022
vii)	Recoverable from Vendors													
	Lumax Ancillary Limited	-	-	-	-	-	-	531.01	-	-	-	-	-	531.01
	Lumax Auto Technologies Limited	-	-	-	-	-	-	2.11	-	-	-	-	-	2.11
	Lumax Tours & Travels Limited	-	-	-	-	-	-	6.07	-	-	-	-	-	6.07
	Bharat Enterprises	-	-	-	-	-	-	47.66	-	-	-	-	-	47.66
	Mahavir Udyog	-	-	-	-	-	-	0.04	-	-	-	-	-	0.04
	Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	-	-	-	-	42.57
viii)	Security Deposit for Rent													
	Mr Dhanesh Kumar Jain	-	-	-	-	3.45	3.45	-	-	-	-	-	-	3.45
ix)	Loan to Employee													
	Mr Vineet Sahnii	-	-	-	-	-	-	-	-	-	-	-	-	-
	Loan given	-	-	-	-	-	-	-	-	-	-	-	-	-
	Repayment	-	-	(30.00)	(30.00)	-	-	-	-	-	-	-	-	(30.00)
	Closing Balance	-	-	75.00	105.00	-	-	-	-	-	-	-	-	75.00
x)	Investment													
	SL Lumax Limited	-	-	-	-	-	-	-	-	-	-	354.74	-	354.74
xi)	Key Management Payables													
	Mr Deepak Jain	-	-	341.36	168.33	-	-	-	-	-	-	-	-	341.36
	Mr Anmol Jain	-	-	75.67	2.59	-	-	-	-	-	-	-	-	75.67
	Mr Vineet Sahnii	-	-	70.97	21.63	-	-	-	-	-	-	-	-	70.97
	Mr Tadayoshi Aoki	-	-	-	0.24	-	-	-	-	-	-	-	-	0.24
	Mr Kenjiro Nakazono	-	-	-	0.24	-	-	-	-	-	-	-	-	0.24
	Mr Dhiraj Dhar Gupta	-	-	0.36	-	-	-	-	-	-	-	-	-	0.36
	Mr Dhanesh Kumar Jain	-	-	-	-	0.69	1.99	-	-	-	-	-	-	0.69
														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 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

39 Capital and other commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of Contract (Net of Advances paid during the year ₹ 319.42 Lakhs {31 March 2021: ₹ 5,468.06 Lakhs} remaining to be executed on capital account and not provided for)	1,669.40	4,511.74

40 Contingent liabilities

S. No.	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	Income tax cases*	3,083.71	3,083.71
(ii)	Excise, customs and Service tax*	1,924.77	1,249.79
(iii)	Sales tax and VAT*	169.80	105.13
(iv)	Export obligation#	5,589.49	4,519.61
(v)	Claims not acknowledged as debts	550.00	300.00

*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.

During the previous year, the Directorate of Revenue Intelligence ('DRI') conducted an inquiry at the Head office and Gurugram plant of the Company. Based on 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 2022, the Company has received the show cause cum demand notices amounting to ₹ 1,132.26 Lakhs and is awaiting notices amounting to ₹ 183.31 Lakhs from the authorities. Based on its assessment, it believes any demand as per above mentioned contentions shall not be tenable.

#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 ₹ 931.58 Lakhs (31 March 2021: ₹ 753.27 Lakhs).

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.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

41 Details of Research and development expenses are as follows:

- A.** The Company has incurred expenses on its research and development center at Gurugram (Haryana) approved and recognised by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Capital expenditure	70.68	299.93

b. Revenue expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	1,656.12	1,407.83
Contribution to provident fund	80.42	73.82
Contribution to other funds	11.54	4.76
Staff welfare	56.89	30.74
Gratuity	60.58	35.69
Insurance	6.80	6.89
Repair & maintenance	231.04	218.03
Travelling & conveyance	169.28	179.43
Legal & professional expenses	10.86	11.03
Research & development	17.21	44.77
Power & fuel	26.15	24.26
Miscellaneous	68.64	33.15
Design, support & testing charges	4.01	61.25
Material/Consumable/Spares	0.09	2.15
Depreciation	120.29	140.09
Finance cost	1.52	2.16
Total	2,521.44	2,276.05

- B.** The Company has incurred expenses on its research and development center at Pune (Maharashtra) approved and recognised by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Capital expenditure	140.34	26.51

b. Revenue expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	1,222.84	903.85
Contribution to provident fund	57.18	48.54
Contribution to other funds	13.35	-
Staff welfare	53.50	42.02
Gratuity	45.45	37.75
Insurance	3.67	3.67
Repair & maintenance	183.33	133.33

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Travelling & conveyance	91.65	50.37
Legal & professional expenses	139.82	57.19
Power & fuel	47.30	43.51
Miscellaneous	60.75	31.14
Design, support & testing charges	10.04	23.55
Material/Consumable/Spares	0.49	0.29
Depreciation	131.24	135.37
Finance cost	0.29	1.19
Total	2,060.90	1,511.77

42 Government grant

The government grant/ government assistance recognised are as under:

Nature of grant/assistance	Classification	Year ended 31 March 2022	Year ended 31 March 2021
Export incentives under duty drawback rules and Merchandise Exports from India Scheme (MEIS)	Other Income	104.46	94.93
Incentive from state government (budgetary support from Government of India under GST regime)	Other Income	642.44	1,294.29
Benefit of concessional electricity rate	Adjusted against Power and fuel in other expenses	160.63	82.45

43 Change in classification

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of security deposits from “Loans” to “Others” in financial assets. Comparative amounts in the notes to the standalone financial statements were reclassified for consistency.

Particulars	As per earlier reported	Revised classification	Difference
Assets			
Non-current Financial assets			
Loans	718.04	77.38	640.66
Others	141.26	781.92	(640.66)

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of Current portion of secured bank loans from “Other financial liabilities” to “Current Borrowings” in current financial liabilities. Comparative amounts in the notes to the standalone financial statements were reclassified for consistency.

Particulars	As per earlier reported	Revised classification	Difference
Liabilities			
Current Financial liabilities			
Borrowings	30,082.92	30,094.25	(11.33)
Others	7,453.41	7,442.08	11.33

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

44 Disclosure required by Ind AS 115

- The aggregate amount of transaction price allocated to the unsatisfied performance obligations as at 31 March 2022 amounts to ₹ Nil (31 March 2021: ₹ 116.57 Lakhs). This will be recognised as revenue when the moulds will be sold to the customer, which is expected to occur post March 31, 2023*.

*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.

- Revenue from contracts with customers is disaggregated by major products and service lines and is disclosed in Note no. 23 to the standalone financial statements. Further, the revenue is disclosed in the said note is gross of ₹ 799.37 Lakhs (31 March 2021: ₹ 616.94 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 2022	As at / Year ended 31 March 2021
Receivables included in 'Trade receivables'	23,214.44	21,631.34
Revenue recognised in the current year included in the contract liability balance at the beginning of the year.	2,775.64	2,017.35
Unbilled revenue (Contract Assets)	1,441.75	1,161.64
Advances from customers (Contract Liabilities)	2,772.28	3,558.38

- On 1 April 2019, the Company purchased certain assets from Lumax Auto Technologies Limited at a consideration of ₹ 2,245.41 Lakhs, pursuant to which, the Company has setup in-house Electronic facility at Manesar on 1 April 2019 for designing and manufacturing of Electronics Printed Circuit Boards Assembly ('PCB'). The said acquisition was primarily done to optimize cost by indigenization of Printed Circuit Board ('PCB').

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.

For the purpose of impairment testing, Goodwill is allocated to the Company as a whole since the performance of the Company is monitored at that level for internal management purposes. The recoverable amount of the CGU was based on its value in use and was determined by discounting the future cash flows to be generated from the continuing use of the CGU. These calculations use cash flow projections over a period of five years, based on next year financial budgets estimated by management, with extrapolation for the remaining period, and an average of the range of assumptions as mentioned below.

The key assumptions used in the estimation of value in use were as follows:

(in percent)	31 March 2022	31 March 2021
Terminal value growth rate	3%	3%
EBITDA growth rate	8.5%-10.5%	8.5%-10.5%

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate and EBITDA margins were determined based on management's estimate. Budgeted EBITDA margin was based on expectations of future outcomes taking into account past experience. The estimation of value in use reflects numerous assumptions that are subject to various risks and uncertainties, including key assumptions regarding expected growth rates and operating margin, expected length and severity of the impact from the COVID-19 pandemic and the shape and timing of the subsequent recovery, as well as other key assumptions with respect to matters outside of the Company's control. It requires significant judgments and estimates, and actual results could be materially different than the judgments and estimates used to estimate value in use.

The Company has used a discount rate of 17% for the current year and previous year which is based on the Weighted Average Cost of Capital (WACC) of comparable market participant, adjusted for specific risks. These estimates are likely to differ from future actual results of operations and cash flows. Based on the above, no impairment was identified as at 31 March 2022 and 31 March 2021 as the recoverable value of the CGU exceeded the carrying value. No reasonably possible change in any of the above key assumptions would cause the carrying amount of these CGU to exceed their recoverable amount.

Notes to the Standalone Financial Statements for the year ended 31 March 2022 (Contd.)

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

46 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

47 Additional information pursuant to changes in Schedule III

- (i) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- (iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except as stated below:

Name of Struck off Companies	Nature of transactions with Struck off Companies	Balance outstanding/ Number of shares held	Relationship with the struck off company
Velomax Mobility Private Limited	Receivable	-	Related Party
Nangalia Fiscal Services Private Limited	Share held by struck off company	100	Shareholder
B.M. Jewellers Private Limited	Share held by struck off company	70	Shareholder
Prakash Leasing Limited	Share held by struck off company	250	Shareholder
G M Somjee Finance Private Limited	Share held by struck off company	470	Shareholder

- (iv) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (v) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (vi) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - b) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (viii) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have CIC as part of the Group.

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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Independent Auditor's Report

To the Members of Lumax Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Lumax Industries Limited** (hereinafter referred to as the "Company") and its associate, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and 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 Company and its associate as at 31 March 2022, of its consolidated profit and other comprehensive loss, 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 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 reports of the other auditor referred to in paragraph (a) of the "Other Matters" section 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 and based on the consideration of other auditors on separate financial statements of component audited by them, 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), 23 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 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 consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether 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.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The 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 Group 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.

Independent Auditor's Report (Contd.)

The respective Management and Board of Directors of the 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 Board of Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the 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 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 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 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 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the 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 the 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 audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters" paragraph in this audit report.

Independent Auditor's Report (Contd.)

We communicate with those charged with governance of the Company 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements also include the Company's share of net profit (and other comprehensive income) (before consolidation adjustments) of ₹ 712.30 lakhs for the year ended 31 March 2022, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have 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 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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, 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:

- 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 of the aforesaid consolidated financial statements;
- b) 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;
- c) 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;
- d) In our opinion, the aforesaid consolidated 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 of the Company as on 31 March 2022 taken on record by the Board of Directors of the Company and the report of the statutory auditor of its associate company, none of the directors of the Company and its associate company incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and its associate company incorporated in India 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 Auditor's 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 reports 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 2022 on the consolidated financial

Independent Auditor's Report (Contd.)

- position of the Company and its associate - Refer Note 40 to the consolidated financial statements;
- ii. The Company and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022;
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022. Further, there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the associate company incorporated in India during the year ended 31 March 2022;
 - iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associate company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or its associate company incorporated in India or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company or its associate company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its associate company incorporated in India shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (i) and (iv) (ii) contain any material mis-statement.
- v. The dividend declared or paid during the year by the Company incorporated in India is in compliance with Section 123 of the Act. Further, the associate company incorporated in India have neither declared nor paid any dividend during the year.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- 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 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 two of its directors by the Company is in excess of the limit 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

Sandeep Batra

Partner

Membership No.: 093320

ICAI UDIN: 22093320AJMNVA9563

Place: Gurugram

Date: 24 May 2022

ANNEXURE A referred to in our Independent Auditor's Report on the Consolidated Financial Statements

(Referred to in our report of even date)

xxi. In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the auditor of the Associate Company in the Companies (Auditor's Report) Order, 2020 report of the Company incorporated in India and included in the consolidated financial statements.

For **B S R & Associates LLP**

Chartered Accountants

Firm Registration No. 116231W/W-100024

Sandeep Batra

Partner

Membership No.: 093320

ICAI UDIN: 22093320AJMNVA9563

Place: Gurugram

Date: 24 May 2022

ANNEXURE B to the Independent Auditor's report on the consolidated financial statements of Lumax Industries Limited for the period ended 31 March 2022

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 (2)(A)(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 2022, we have audited the internal financial controls with reference to consolidated financial statements of Lumax Industries Limited (hereinafter referred to as "the 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 Company and such company incorporated in India which is its associate company, 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 2022, 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 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

Annexure B to the Independent Auditor's Report (Contd.)

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 report 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 and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with

authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

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

Sandeep Batra

Partner

Membership No.: 093320

ICAI UDIN: 22093320AJMNVA9563

Place: Gurugram

Date: May 24, 2022

Consolidated Balance Sheet as at 31 March 2022

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

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
I ASSETS			
Non-current assets			
Property, plant and equipment	4A	66,472.74	58,117.23
Capital work-in-progress	4B	4,783.66	4,701.63
Right of use assets	4C	2,842.82	3,074.04
Investment property	5	72.13	72.13
Goodwill	4E	977.58	977.58
Other intangible assets	4D	749.05	473.34
Intangible assets under development	4F	19.80	-
Investments accounted using the equity method	44	9,746.11	9,033.81
Financial assets			
Investments	6	408.00	160.00
Loans	7	59.77	77.38
Others	8	786.50	781.92
Non current tax assets (net)	11	538.16	502.09
Other non-current assets	12	6,038.61	7,202.48
Total non-current assets		93,494.93	85,173.63
Current assets			
Inventories	13	26,434.75	22,234.22
Financial assets			
Investments	6	26.14	21.10
Trade receivables	9	23,214.44	21,631.34
Cash and cash equivalents	10	1,552.57	283.65
Bank balances other than above	10	17.12	31.35
Loans	7	112.43	87.90
Others	8	3,467.69	3,238.39
Other current assets	12	6,320.71	3,534.24
Total current assets		61,145.85	51,062.19
TOTAL ASSETS		1,54,640.78	1,36,235.82
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	934.77	934.77
Other equity	15	48,239.63	45,108.52
Total equity		49,174.40	46,043.29
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	16	5,834.15	1.89
Lease liabilities	17	3,542.64	3,617.97
Provisions	21	3,858.62	3,196.54
Deferred tax liabilities (net)	22	3,737.30	3,283.72
Total non current liabilities		16,972.71	10,100.12
Current liabilities			
Financial liabilities			
Borrowings	16	30,564.91	30,094.25
Lease liabilities	17	135.80	98.20
Trade payables			
- total outstanding dues of micro enterprises and small enterprises, and	18	1,971.05	1,534.23
- total outstanding dues of creditors other than micro enterprises and small enterprises	18	45,435.13	35,909.52
Other financial liabilities	19	5,677.32	7,442.08
Other current liabilities	20	4,063.76	4,140.78
Provisions	21	645.70	873.35
Total current liabilities		88,493.67	80,092.41
Total liabilities		1,05,466.38	90,192.53
TOTAL EQUITY AND LIABILITIES		1,54,640.78	1,36,235.82
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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Statement of Consolidated Profit and Loss for the year ended 31 March 2022

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

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
I REVENUE			
Revenue from operations	23	1,75,131.10	1,42,598.07
Other income	24	1,338.64	2,523.38
TOTAL REVENUE		1,76,469.74	1,45,121.45
II EXPENSES			
Cost of materials consumed			
Cost of raw material and components consumed	25	1,06,288.74	86,205.22
Cost of moulds, tools & dies	25.1	6,274.41	4,378.00
Purchase of stock in trade	26	921.05	449.81
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	(790.26)	(773.38)
Employee benefits expenses	28	24,083.88	20,679.78
Finance costs	29	2,141.49	2,847.54
Depreciation and amortization expense	30	6,366.80	6,451.32
Other expenses	31	24,854.93	21,731.18
TOTAL EXPENSES		1,70,141.04	1,41,969.47
III Profit before exceptional items, income tax and share in profit/(loss) of associate (I-II)		6,328.70	3,151.98
IV Exceptional item Gain/(Loss)	28.1	(1,713.95)	-
V Profit before income tax and share in profit of associate (III+IV)		4,614.75	3,151.98
VI Profit of associate		667.18	154.09
VII Profit before tax (V+VI)		5,281.93	3,306.07
VIII Tax Expense:			
Current tax	22	639.82	544.20
Deferred tax (including MAT for earlier years)	22	569.64	946.64
Income tax expenses		1,209.46	1,490.84
IX Profit for the year (VII-VIII)		4,072.47	1,815.23
X Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss and its related income tax effects			
Remeasurements of defined benefit liability		(287.02)	142.12
Income tax relating to above		-	-
Net other comprehensive income/(loss) not to be reclassified subsequently to profit or loss		(287.02)	142.12
XI Total comprehensive income for the year (IX+X)		3,785.45	1,957.35
XII Earnings/(Loss) per equity share - Basic and diluted {Nominal value of share ₹ 10 (Previous year : ₹ 10) each}	32	43.57	19.42
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

Sandeep Batra

Partner

Membership No. 093320

Deepak Jain

Chairman &
Managing Director
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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: 24 May 2022

Consolidated Statement of Changes in Equity for the year ended 31 March 2022

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

a. Equity share capital

Particulars	Note	Amount
Balance as at 31 March 2020		934.77
Changes in equity share capital during the year	14A	-
Balance at 31 March 2021		934.77
Changes in equity share capital during the year	14A	-
Balance at 31 March 2022		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 2020		0.65	6,796.66	9,638.47	27,276.25	-	43,712.03
Profit for the year	15A	-	-	-	1,815.23	-	1,815.23
Dividends	15B	-	-	-	(560.86)	-	(560.86)
Other comprehensive income/(loss)	15A	-	-	-	-	142.12	142.12
Transferred to retained earnings	15A	-	-	-	142.12	(142.12)	-
Balance at 31 March 2021		0.65	6,796.66	9,638.47	28,672.74	-	45,108.52
Profit for the year	15A	-	-	-	4,072.47	-	4,072.47
Dividends	15B	-	-	-	(654.34)	-	(654.34)
Other comprehensive income/(loss)	15A	-	-	-	-	(287.02)	(287.02)
Transferred to retained earnings	15A	-	-	-	(287.02)	287.02	-
Balance at 31 March 2022		0.65	6,796.66	9,638.47	31,803.85	-	48,239.63

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

Sandeep Batra

Partner
Membership No. 093320

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DIN: 03616096

Shruti Kant Rustagi

Chief Financial Officer

Pankaj Mahendru

Company Secretary
Membership No. - A 28161

Place: Gurugram

Date: 24 May 2022

Consolidated Statement of Cash Flow for the year ended 31 March 2022

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

S. No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
A.	Cash flow from operating activities		
	Profit before tax	5,281.93	3,306.07
	Adjustment to reconcile profit before tax to net cash flows		
	Share in profits of Associate	(667.18)	(154.09)
	Depreciation and amortization expense	6,366.80	6,451.32
	Bad Debts	-	33.89
	Advances written off	13.15	34.87
	Provision for doubtful debts	25.37	34.41
	Net (gain)/loss on disposal of property, plant and equipment	(26.92)	(250.59)
	Change in fair value of investment	(148.04)	(10.59)
	MTM (gain)/loss on cross currency swaps and forward contracts	-	237.34
	Unrealized foreign exchange (gain)/ loss	(34.44)	(587.62)
	Provisions/creditors no longer required written back	(106.90)	(5.49)
	Finance cost	2,141.40	2,814.05
	Interest on tax	0.09	33.49
	Interest income	(23.58)	(33.25)
	Dividend income	(17.92)	(11.52)
	Operating profit before changes in assets and liabilities	12,803.76	11,892.29
	Change in assets and liabilities		
	Decrease/ (increase) in inventories	(4,200.53)	(4,316.40)
	Decrease/ (increase) in trade receivables	(1,609.93)	(4,352.71)
	Decrease/ (increase) in loans	(6.92)	26.47
	Decrease/ (increase) in other financial assets	(248.99)	(2,377.61)
	Decrease/ (increase) in other assets	(2,783.03)	(1,557.51)
	(Decrease)/ increase in trade payables	10,105.23	6,279.56
	(Decrease)/ increase in other financial liabilities	(2,493.97)	729.92
	(Decrease)/ increase in other liabilities	(77.02)	409.93
	(Decrease)/ increase in provisions	343.87	501.96
	Cash generated from operations	11,832.47	7,235.90
	Income taxes paid (net of refunds)	1,033.62	(384.67)
	Net cash flow from/ (used in) operating activities (A)	10,798.85	7,620.57
B.	Cash flow from investing activities		
	Purchase of fixed assets, including CWIP and capital advances	(12,948.28)	(6,737.98)
	Proceeds from sales of property, plant and equipment	46.66	545.28
	Investment made in equity shares	(105.00)	-
	Interest received	25.54	119.10
	Dividends received	17.92	11.52
	Maturity from/(Investments in) bank deposits (having original maturity of more than three months)	14.23	2,989.96
	Net cash flow from/ (used in) investing activities (B)	(12,948.93)	(3,072.12)
C.	Cash flow from financing activities		
	Proceeds from bank loan	8,095.48	-
	Repayment of bank loan	(465.43)	(5,069.96)
	Proceeds from/(repayment) of short term loans/cash credit/WCDL/vendor finance facility (net)	(1,327.13)	3,518.31
	Payment of finance lease	(398.52)	(296.34)
	Interest paid	(1,828.72)	(2,649.33)
	Dividend paid on equity shares	(656.68)	(562.48)
	Net cash flow from/ (used in) financing activities (C)	3,419.00	(5,059.80)
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,268.92	(511.35)
	Cash and cash equivalents at the beginning of the year	283.65	795.00
	Cash and cash equivalents at the end of the year	1,552.57	283.65

Consolidated Statement of Cash Flow for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

S. Particulars No.	Year ended 31 March 2022	Year ended 31 March 2021
i Components of cash and cash equivalents		
Cash on hand	14.10	14.98
Balances with banks:		
On current accounts	1,538.47	268.67
Total cash and cash equivalents	1,552.57	283.65

ii Movement in financial liabilities	Lease liabilities	Long term loans	Short term loans	Interest payable	Total
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 1 April 2021	3,716.17	13.22	30,082.92	53.17	33,865.48
Cash flows (net)	(398.52)	7,630.05	(1,327.13)	(1,828.72)	4,075.68
Other non cash transactions:					
- Acquisition	41.47	-	-	-	41.47
- Interest	319.32	-	-	1,822.08	2,141.40
- Foreign exchange movement	-	-	-	-	-
As on 31 March 2022	3,678.44	7,643.27	28,755.79	46.53	40,124.03

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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

(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 the Companies Act 1956 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 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 Company's Board of Directors on 24 May 2022.

Details of Company's accounting policies are included in Note 3.

B. Basis of consolidation

Equity accounted investees

The Company's interest in equity account investees represents interest in associate i.e. SL Lumax Limited.

An associate is an entity in which the 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 recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements which include the 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 Company's proportionate share. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of 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 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 Company's separate financial statements.

C. Functional and presentation currency

These consolidated 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.

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 2022 and judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- Recognition of deferred tax assets - note 22- The Company has recognised deferred tax assets and concluded that the deferred tax assets will be recoverable using the estimated future taxable

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

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.

- ii) Write down of inventories - note 13 - 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 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.
- iv) Provision for employee benefits - note 21 & 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 19 – 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.

F. 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 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 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 categorized 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 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

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 :

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

All other assets are classified as non-current.

A liability is 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

- 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 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 recognised 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 labor, 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 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 recognised 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 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 recognised 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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 recognised 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 recognised 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 recognised 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.

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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

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 recognised 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 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 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 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 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 realizing 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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
- 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 recognised 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 recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised 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 recognised in Statement of Profit and Loss. Other net gains and losses are recognised 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 recognised 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 recognised 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 recognised 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 recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognised 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 derecognised 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 derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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 derecognised 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 recognised to the extent of continuing involvement in the financial asset.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

Financial liability

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The 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 recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised 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 realize 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 recognised 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

j) Impairment of financial assets

The 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 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 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

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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 analyzed.

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 recognised 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.

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 recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised 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 recognised.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised 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 recognised.

j. Provisions (other than for employee benefits) and contingent liabilities

A provision is recognised 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 recognised as finance cost. Expected future operating losses are not provided for.

Warranties

A provision for warranties is recognised 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 recognised in the income statement.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Rate decrease

The Liabilities for rate decrease is recognised 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 recognised 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.

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 accepts 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 recognised 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 recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised 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 recognised 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 recognised 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 recognised 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 Company incurs in connection with the borrowing of

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

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 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 recognised 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 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 Company as a lessor in the comparative period were not different from Ind AS 116.

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

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 recognised 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 recognised 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 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 recognised 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 recognised 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 recognised 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 recognised immediately in Statement of Profit and Loss. The Company recognizes 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 recognised 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 recognised in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised 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

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
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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 recognised 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 recognised 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 recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised 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 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 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 realized simultaneously.

Minimum Alternative Tax ("MAT") under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as deferred tax asset.

Deferred tax assets (including MAT credit) are recognised 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 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 – unrecognised or recognised, are reviewed at each reporting date and are recognised/ 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 recognised 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 recognised 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 recognised 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 recognised 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

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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.

t. Dividend Distribution

The 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 Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised 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 recognised 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 recognised in profit or loss, except exchange differences arising from the translation of the following items which are recognised 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. Standards issued but not yet effective

On 23 March 2022, the Ministry of Corporate Affairs ("MCA") through notifications, amended to existing Ind AS. The same shall come into force from annual reporting period beginning on or after 1 April 2022. Key Amendments relating to the same whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Ind AS 16 Property, Plant and Equipment – For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in Statement of Profit and Loss and considered as part of cost of PPE.
- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- Ind AS 41 Agriculture– This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.
- Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/ JV can be measured based Consolidated Financial Statements.
- Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognize a financial liability.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

4A Property, plant & equipment

Particulars	Freehold Land	Buildings	Plant and machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Gross Block							
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
Additions	547.87	779.87	12,636.37	101.47	125.11	126.79	14,317.48
Disposals/adjustments	-	-	(21.98)	(0.08)	(5.56)	(55.35)	(82.97)
As at 31 March 2022	4,069.36	13,611.42	77,497.44	1,239.49	620.73	1,461.77	98,500.21
Depreciation							
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
For the year	-	523.35	5,058.18	118.25	83.58	158.87	5,942.23
Disposals/adjustments	-	-	(4.55)	-	(5.31)	(53.37)	(63.23)
As at 31 March 2022	-	2,612.82	27,318.03	491.53	383.60	1,221.49	32,027.47
Net Block:							
As at 31 March 2021	3,521.49	10,742.08	42,618.65	764.82	195.85	274.34	58,117.23
As at 31 March 2022	4,069.36	10,998.60	50,179.41	747.96	237.13	240.28	66,472.74

Note:

- Property, plant and equipment representing land and building amounting to ₹ 730.71 Lakhs (31 March 2021: ₹ 734.09 Lakhs) have been pledged as security by the Company.

4B Capital Work in progress

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	4,701.63	3,216.74
Additions made during the year	14,399.51	4,674.97
Capitalized during the year	(14,317.48)	(3,190.08)
Total	4,783.66	4,701.63

Note:

- The Company has capitalized borrowing cost relating to construction of building and purchasing of plant and machinery amounting to ₹ 300.80 Lakhs (31 March 2021: ₹ 37.52 Lakhs).

(a) Ageing of Capital Work in progress	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	Total
Balance as at 31 March 2022					
Projects In progress	3,379.56	1,036.75	367.35	-	4,783.66
Projects temporarily suspended	-	-	-	-	-
Total	3,379.56	1,036.75	367.35	-	4,783.66
Balance as at 31 March 2021					
Projects In progress	3,263.17	1,157.42	281.04	-	4,701.63
Projects temporarily suspended	-	-	-	-	-
Total	3,263.17	1,157.42	281.04	-	4,701.63

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

(b) Capital Work in progress	To be completed in				Total
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 year	
Projects either over run/overdue*	3,724.20	-	-	-	3,724.20
Other Project in progress#	1,059.46	-	-	-	1,059.46
Total	4,783.66	-	-	-	4,783.66

*For CWIP, whose completion is overdue or has exceeded its cost compared to its original plan.

#Other CWIP items whose completion is not due and has not exceeded its cost compared to its original plan.

4C Right of use assets

Particulars	Leased Assets	Total
Gross Block		
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
Additions	41.47	41.47
Disposals/adjustments	-	-
As at 31 March 2022	3,465.56	3,465.56
Depreciation		
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
For the year	272.69	272.69
Disposals/adjustments	-	-
As at 31 March 2022	622.74	622.74
Net Block:		
As at 31 March 2021	3,074.04	3,074.04
As at 31 March 2022	2,842.82	2,842.82

4D Other intangible assets

Particulars	Computer Software	Total
Gross Block		
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
Additions	516.10	516.10
Disposals/adjustments	-	-
As at 31 March 2022	1,863.26	1,863.26
Depreciation		
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
For the year	240.39	240.39
Disposals/adjustments	-	-
As at 31 March 2022	1,114.21	1,114.21
Net Block:		
As at 31 March 2021	473.34	473.34
As at 31 March 2022	749.05	749.05

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

4E Goodwill

Particulars	Goodwill	Total
Gross Block		
As at 31 March 2020	977.58	977.58
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2021	977.58	977.58
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2022	977.58	977.58
Impairment		
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2022	-	-
Net Block:		
As at 31 March 2021	977.58	977.58
As at 31 March 2022	977.58	977.58

4F Intangible asset under development

Particulars	As at 31 March 2022	As at 31 March 2021
Balance as at the beginning of the year	-	2.06
Additions made during the year	535.90	-
Capitalized during the year	(516.10)	(2.06)
Total	19.80	-

(a) Ageing of Intangible asset under development	Less than 1 year	1 –2 years	2 –3 years	More than 3 year	Total
Balance as at 31 March 2022					
Projects In progress	19.80	-	-	-	19.80
Projects temporarily suspended	-	-	-	-	-
Total	19.80	-	-	-	19.80
Balance as at 31 March 2021					
Projects In progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

(b) Intangible asset under development	To be completed in				
	Less than 1 year	1 –2 years	2 –3 years	More than 3 year	Total
Projects either over run/overdue*	-	-	-	-	-
Other Project in progress [#]	19.80	-	-	-	19.80
Total	19.80	-	-	-	19.80

* For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

[#] Other Intangible assets under development whose completion is not due and has not exceeded its cost compared to its original plan.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

5 Investment property

Particulars	Freehold land	Total
Gross Block		
As at 31 March 2020	72.13	72.13
Additions	-	-
Disposals/adjustments	-	-
As at 31 March 2021	72.13	72.13
Additions		
Disposals/adjustments	-	-
As at 31 March 2022	72.13	72.13
Depreciation		
As at 31 March 2020	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2021	-	-
For the year	-	-
Disposals/adjustments	-	-
As at 31 March 2022	-	-
Net Block:		
As at 31 March 2021	72.13	72.13
As at 31 March 2022	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.
- Fair market value as at 31 March 2022 amounts to ₹ 2,066.60 Lakhs (31 March 2021: ₹ 1,484.80 Lakhs). The fair value of investment property is based on the valuation performed by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

6 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-Current investments		
Unquoted equity shares		
<i>Equity shares at FVTPL</i>		
6,55,832 (31 March 2021: 6,55,832) equity shares of ₹ 10 each fully paid-up in Caparo Power Limited	221.00	65.58
<i>Equity shares at FVTPL</i>		
10,50,000 (31 March 2021: Nil) equity shares of ₹ 10 each fully paid-up in Avaada MHBuldhana Private Limited	105.00	-
Unquoted Preference shares		
<i>Preference shares at FVTPL</i>		
9,44,168 (31 March 2021: 9,44,168) 2% Redeemable Preference shares of ₹ 10 each fully paid-up in Caparo Power Limited	82.00	94.42
Total-A	408.00	160.00
B-Current investments		
<i>Quoted equity shares at FVTPL</i>		
43,866 (31 March 2021: 43,866) equity shares of ₹ 10 each fully paid up in PNB Gilts Limited	26.14	21.10
Total-B	26.14	21.10
Total- Investments (A+B)	434.14	181.10
Aggregate cost of quoted investments	9.87	9.87
Aggregate market value of quoted investments	26.14	21.10
Aggregate amount of unquoted investments	408.00	160.00
Aggregate amount of impairment in value of investment	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

7 Loans

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-Current		
Loan to employees	59.77	77.38
Total-A	59.77	77.38
B-Current		
Loan to employees	112.43	87.90
Total-B	112.43	87.90
Total- Loans (A+B)	172.20	165.28

a. Loans or advances to specified persons

Particulars	As at 31 March 2022		As at 31 March 2021	
	Amount outstanding	% of Total Loan	Amount outstanding	% of Total Loan
Loan to employees				
Mr Vineet Sahni-CEO and Senior Executive Director (Home Loan of ₹ 150.00 Lakhs taken on 15 October 2019. The amount will be repaid in 60 equal instalments of ₹ 2.50 Lakhs each)	75.00	42%	105.00	58%

8 Other financial assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-current		
Time deposits with others (deposits with maturity of more than 12 months)	5.00	5.00
Unpaid dividend accounts [#]	133.92	136.26
Security deposits	647.58	640.66
Total - A	786.50	781.92
B-Current		
Unbilled revenue	1,441.75	1,161.64
Interest accrued but not due on fixed deposits	0.60	2.56
Export benefits and other incentive receivable	1,818.38	1,170.95
Others	206.96	903.24
Total - B	3,467.69	3,238.39
Total- Other financial assets (A+B)	4,254.19	4,020.31

[#] The Company can utilize the balance only towards settlement of unclaimed dividend.

9 Trade receivables*

Particulars	As at 31 March 2022	As at 31 March 2021
Receivable considered good-Unsecured	23,214.44	21,631.34
Receivable - credit impaired	122.10	96.73
Less: Allowance for doubtful debts	(122.10)	(96.73)
Net-Trade receivables	23,214.44	21,631.34
Non-current	-	-
Current	23,214.44	21,631.34
Total	23,214.44	21,631.34

* 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Ageing for trade receivables

As at 31 March 2022	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	19,079.69	3,830.91	301.70	2.14	-	-	23,214.44
Credit impaired	13.68	16.88	21.19	30.28	21.33	18.74	122.10
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Balance at the end of the year	19,093.37	3,847.79	322.89	32.42	21.33	18.74	23,336.54

Ageing for trade receivables

As at 31 March 2021	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	18,233.05	3,301.12	84.54	12.63	-	-	21,631.34
Credit impaired	9.48	10.28	3.28	35.73	30.22	7.74	96.73
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Balance at the end of the year	18,242.53	3,311.40	87.82	48.36	30.22	7.74	21,728.07

Trade receivable includes amount due from companies having common directors as follows:

Party Name	As at 31 March 2022	As at 31 March 2021
Lumax Auto Technologies Limited	3,672.78	3,193.46
Lumax Ancillary Limited	222.71	136.45
Lumax Cornaglia Auto Technologies Private Limited	0.04	0.09
Mahavir Udyog	0.24	0.62
Bharat Enterprises	35.45	16.51
Lumax Integrated Ventures Private Limited	-	0.08
Lumax Mannoh Allied Technologies Limited	132.76	0.08
Lumax Metallics Private Limited	-	0.08
Lumax Ituran Telematics Private Limited	3.16	-
Velomax Mobility Private Limited	-	0.27

10 Cash and bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
A-Cash and cash equivalents		
Cash on hand	14.10	14.98
Bank balances		
in current accounts	1,538.47	268.67
Cash and cash equivalents in Balance Sheet	1,552.57	283.65
Cash and cash equivalents in the statement of cash flows	1,552.57	283.65
B-Bank balances other than above		
Time deposits with others (deposits with maturity of more than 3 months but less than 12 months)	16.38	5.00
Margin Money with banks* (deposits with maturity of less than 12 months)	0.74	26.35
Bank balances other than above in Balance Sheet	17.12	31.35

* Margin money with banks represents fixed deposits pledged with banks for guarantees issued to government authorities.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

11 Tax assets

Particulars	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provisions ₹ 3,113.16 (31 March 2021: ₹ Nil))	38.16	2.09
Duty paid under protest	500.00	500.00
Total	538.16	502.09

12 Other assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-current		
Capital advances	6,014.59	7,175.02
Prepaid expenses	24.02	27.46
B-Current		
Advance to suppliers		
Considered good	3,330.79	1,814.80
Considered doubtful	25.17	25.17
Less: Provision for doubtful advances	(25.17)	(25.17)
	3,330.79	1,814.80
Advance to employees	15.66	15.48
Export benefits receivable	56.90	60.92
Balances with government authorities	2,093.05	1,146.81
Prepaid expenses	525.80	399.41
Others	298.51	96.82
Total- Other assets	12,359.32	10,736.72
Other Non-current assets	6,038.61	7,202.48
Other Current assets	6,320.71	3,534.24
Total	12,359.32	10,736.72

13 Inventories (valued at lower of cost and net realizable value)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw materials and components {including stock in transit ₹ 1,783.19 Lakhs (31 March 2021: ₹1,906.76 Lakhs)}	14,931.62	12,022.98
Work-in-progress	3,581.19	2,893.63
Finished goods	2,465.23	2,626.87
Stock in Trade	377.62	113.28
Stores and spares (including packing material)	808.64	952.08
Moulds, tools and dies in process {including transit stock: ₹ Nil (31 March 2021: ₹ 82.54 Lakhs)}	4,270.45	3,625.38
Total	26,434.75	22,234.22

Due to the fact that certain products were slow moving and were sold below net realizable value, the Company made a provision amounting to ₹ 293.12 Lakhs (31 March 2021: ₹ 9.83 Lakhs). The above provision is included in cost of materials consumed or changes in inventories of finished goods and work-in-progress.

14 Equity Share Capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorized		
1,20,00,000 (31 March 2021: 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 2021: 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 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

14A Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares:	As at 31 March 2022		As at 31 March 2021	
	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

14 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.

14 C Details of Shareholders more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% of total shares	Number of shares	% of total shares
Equity shares of ₹ 10 each fully paid held by-				
i. Stanley Electric Co. Limited	33,43,381	35.77%	33,43,381	35.77%
ii. Deepak Jain	12,43,516	13.30%	12,43,516	13.30%
iii. Anmol Jain	12,43,516	13.30%	12,43,516	13.30%
iv. Lumax Auto Technologies Limited	5,25,000	5.62%	5,25,000	5.62%
v. Lumax Finance Private Limited	4,93,367	5.28%	4,93,367	5.28%
Total	68,48,780	73.27%	68,48,780	73.27%

As per records of the 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.

14 D Details of Shares held by promoters during the year

Name of the promoters	Number of shares			% of total shares	% Change during the year
	As at 31 March 2021	Change	As at 31 March 2022		
i. Stanley Electric Co. Limited	33,43,381	-	33,43,381	35.77%	-
ii. Deepak Jain	12,43,516	-	12,43,516	13.30%	-
iii. Anmol Jain	12,43,516	-	12,43,516	13.30%	-
iv. Lumax Auto Technologies Limited	5,25,000	-	5,25,000	5.62%	-
v. Lumax Finance Private Limited	4,93,367	-	4,93,367	5.28%	-
vi. Thai Stanley Electric Public Co. Limited	1,62,018	-	1,62,018	1.73%	-
Total	70,10,798	-	70,10,798	75.00%	-

Name of the promoters	Number of shares			% of total shares	% Change during the year
	As at 31 March 2020	Change	As at 31 March 2021		
i. Stanley Electric Co. Limited	33,43,381	-	33,43,381	35.77%	-
ii. Deepak Jain	11,72,031	71,485	12,43,516	13.30%	0.76%
iii. Anmol Jain	11,72,031	71,485	12,43,516	13.30%	0.76%
iv. Lumax Auto Technologies Limited	5,25,000	-	5,25,000	5.62%	-
v. Lumax Finance Private Limited	4,93,367	-	4,93,367	5.28%	-
vi. Thai Stanley Electric Public Co. Limited	1,62,018	-	1,62,018	1.73%	-
vii. Dhanesh Kumar Jain	1,42,970	(1,42,970)	-	-	-1.52%
Total	70,10,798	-	70,10,798	75.00%	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

15 Other equity

A. Summary of other equity

Particulars	As at 31 March 2022	As at 31 March 2021
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		
At the beginning and at the end of the year	9,638.47	9,638.47
IV. Retained earnings		
Balance at the beginning of the year	28,672.74	27,276.25
Add: Profit for the year	4,072.47	1,815.23
Less: Appropriations		
- Dividend paid	(654.34)	(560.86)
Add: Transferred from other comprehensive income	(287.02)	142.12
Balance at the end of the year	31,803.85	28,672.74
V. Items of other comprehensive income		
Balance at the beginning of the year	-	-
Add: Remeasurements of defined benefit plans	(287.02)	142.12
Less: Transferred to retained earnings	287.02	(142.12)
Balance at the end of the year	-	-
Total- Other equity	48,239.63	45,108.52

- (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 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 2022	As at 31 March 2021
₹ 7.00 per equity share {31 March 2021: ₹ 6.00 per equity share}	654.34	560.86
Total	654.34	560.86

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 2022	As at 31 March 2021
₹ 13.50 per equity share (31 March 2021: ₹ 7.00 per equity share)	1,261.94	654.34
Total	1,261.94	654.34

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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:

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 2022	As at 31 March 2021
Total liabilities	1,05,466.38	90,192.53
Less: cash and cash equivalents	(1,552.57)	(283.65)
Adjusted net debt	1,03,913.81	89,908.88
Total equity	49,174.40	46,043.29
Adjusted net debt to equity ratio	2.11	1.95

16 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Long term		
Vehicle loan from banks	56.51	1.89
Term loan from others	5,777.64	-
Total long term borrowings	5,834.15	1.89
Short term		
Secured		
Short term loan from bank	2,000.00	2,000.00
Current maturities of long term loan	1,777.74	-
Current maturities of Vehicle loan from banks	31.38	10.70
Current maturities of Vehicle loan from Others	-	0.63
Cash credit/Working Capital facility from banks	14,961.91	14,008.35
Customer finance facility from banks	8,075.91	5,000.00
Unsecured		
Vendor finance facility from banks	3,717.97	9,074.57
Total short term borrowings	30,564.91	30,094.25

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 2022	Charges
Secured					
Vehicle Loans from bank	INR	FY 2021-22	7.90% -8.60%	87.89	Hypothecation of the respective vehicle
Term loan from bank	INR	FY 2026-27	5.75%	7,555.38	Exclusive charge on Land of Bawal and Plant & machinery financed from proceed of Term Loan
Short Term Loan from bank	INR	FY 2021-22	4.80%- 6.85%	2,000.00	Immovable fixed assets of Gurugram Unit & all existing & future current assets of the Company on Pari-Passu basis #
Working Capital Facility from bank	INR	FY 2022-23	5.00%- 6.95%	268.91	Immovable fixed assets of Gurugram Unit & stock & book debts & movable fixed assets of the Company on Pari-Passu basis #

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2022	Charges
Working Capital Facility from bank	INR	FY 2022-23	5.00%-7.90%	893.00	Immovable fixed assets of Gurugram Unit & Entire Current Assets & movable fixed assets of the Company on Pari-Passu basis #
Working Capital Facility from bank	INR	FY 2022-23	4.56% to 6.10%	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	FY 2022-23	4.56% to 6.15%	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	FY 2022-23	4.55% to 6.70%	6,000.00	Immovable fixed assets of Gurugram Unit & stock & book debts & current assets of the Company on Pari-Passu basis #
Working Capital Facility from others	INR	FY 2022-23	4.40% - 4.60%	2,300.00	Immovable fixed assets of Gurugram Unit & present & future current assets of the Company on Pari-Passu basis #
Customer finance facility from banks	INR	FY 2022-23	4.80% - 7.10%	8,075.91	Immovable fixed assets of Gurugram Unit & all existing & future current assets of the Company on Pari-Passu basis #
Unsecured				-	
Vendor finance facility from banks	INR	FY 2022-23	5.24% to 7.10%	3,717.97	Nil

The quarterly returns of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Particulars	Currency	Financial year of maturity	Nominal interest rate (range)	As at 31 March 2021	Charges
Secured					
Vehicle Loans from bank	INR	FY 2021-22	7.90% -10.00%	12.59	Hypothecation of the respective vehicle
Vehicle Loans from others	INR	FY 2021-22	0.05%	0.63	Hypothecation of the respective vehicle
Short Term Loan from bank	INR	FY 2021-22	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	FY 2021-22	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	FY 2021-22	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	FY 2021-22	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	FY 2021-22	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 #
Working Capital Facility from others	INR	FY 2021-22	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	FY 2021-22	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	FY 2021-22	6.90% - 8.90%	9,074.57	Nil

The quarterly returns of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

17 Lease liability

Particulars	As at 31 March 2022	As at 31 March 2021
A-Non-current	3,542.64	3,617.97
B-Current	135.80	98.20
Total Lease liability	3,678.44	3,716.17

18 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade payables		
- Total outstanding due of micro enterprises and small enterprises (refer note (a) below for details of dues to micro and small enterprises)	1,971.05	1,534.23
- Total outstanding due of creditors other than micro enterprises and small enterprises	45,435.13	35,909.52
Total	47,406.18	37,443.75

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 2022	As at 31 March 2021
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	1,890.03	1,466.38
Interest due on above	0.27	0.05
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	2.45	-
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	4.78	24.30
The amount of interest accrued and remaining unpaid at the end of each accounting year	81.02	67.85
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	-	-

Ageing for trade payable

As at 31 March 2022	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	1,944.63	26.42	-	-	-	-	1,971.05
Creditors other than micro enterprises and small enterprises	31,790.10	12,463.76	1,107.19	26.32	16.37	31.39	45,435.13
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	33,734.73	12,490.18	1,107.19	26.32	16.37	31.39	47,406.18

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Ageing for trade payable

As at 31 March 2021	Outstanding for following periods from due date of payment						Total
	Current outstanding but not due	Less Than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises	1,529.93	4.30	-	-	-	-	1,534.23
Creditors other than micro enterprises and small enterprises	28,785.90	6,961.51	101.43	23.42	2.44	34.81	35,909.51
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	30,315.83	6,965.81	101.43	23.42	2.44	34.81	37,443.74

19 Other current financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Capital creditors	2,181.78	1,443.59
Interest accrued on borrowings/cash credit	46.53	53.17
Payable to employees	1,926.82	1,702.87
Unpaid dividend	133.92	136.26
Interest free deposits from customers	5.75	6.75
Book overdraft	-	20.34
Other liabilities*	1,382.52	4,079.10
Total Other financial liabilities	5,677.32	7,442.08

* Other liabilities represent rate difference for price decrease not yet paid to the customers.

20 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advances from customers	2,772.28	3,558.38
Statutory dues	1,291.48	582.40
Total- Other current liabilities	4,063.76	4,140.78

21 Provisions

Particulars	Non-current	Current	Non-current	Current
	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021	As at 31 March 2021
A-Provision for employee benefits				
Compensated absences	2,305.67	212.38	2,219.49	181.65
Gratuity (refer note 36)	1,552.95	379.64	977.05	373.39
Total-A	3,858.62	592.02	3,196.54	555.04
B-Other provisions				
Provision for warranties {Refer (a) below}	-	53.68	-	76.73
Provision for tax (net of advance tax ₹ Nil (31 March 2021: ₹ 3,487.99 Lakhs))	-	-	-	241.58
Total-B	-	53.68	-	318.31
Total- Provisions (A+B)	3,858.62	645.70	3,196.54	873.35

(a) Provision for warranties

A provision is recognised 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	76.73	87.45
Arising during the year (net of reversals)	39.80	58.18
Utilized during the year	(62.85)	(68.90)
At the end of the year	53.68	76.73

22 Income tax

A. Amounts recognised in profit or loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current tax for Current period		
Current tax	653.95	584.94
Deferred tax expense for prior periods	571.52	816.06
Current tax	(14.13)	(40.74)
Deferred tax expense/(benefit) (incl. MAT availment for earlier years)	(1.88)	130.58
Total	1,209.46	1,490.84

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Remeasurements of defined benefit plan	(287.02)	142.12
Current tax	116.06	(44.23)
Deferred tax expense/(benefit)	(116.06)	44.23
Net of tax	(287.02)	142.12

C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2022		Year ended 31 March 2021	
	Rate (%)	Amount	Rate (%)	Amount
Profit before tax		5,281.93		3,306.07
Enacted tax rates in India	34.94%	1,845.72	34.94%	1,155.27
Effect of:				
Deferred tax on profits of associate	-2.61%	(138.08)	-1.29%	(42.71)
Tax related to prior periods (Current tax and Deferred tax)	-0.30%	(16.01)	2.72%	89.84
Dividend income	-0.12%	(6.26)	-0.12%	(4.03)
Effect of adjustment of Deferred tax prior to utilization of MAT credit	-8.02%	(423.58)	0.50%	16.69
Additional Deferred tax liability on Goodwill	-	-	7.75%	256.20
Others	-0.99%	(52.33)	0.59%	19.58
Income tax expense	22.90%	1,209.46	45.09%	1,490.84

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

D. Recognised deferred tax assets and liabilities

Particulars	As at 31 March 2022			As at 31 March 2021		
	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	-	(2,487.77)	(2,487.77)	-	(2,349.69)	(2,349.69)
Property, plant and equipment and intangible assets (net)	-	(6,288.66)	(6,288.66)	-	(6,372.31)	(6,372.31)
Investment Property	-	(30.33)	(30.33)	-	(27.96)	(27.96)
Finance Lease liability (Net of ROU)	209.55	-	209.55	143.07	-	143.07
Provision for compensated absences	609.87	-	609.87	592.49	-	592.49
Provision for inventory, doubtful debts and advances	146.82	-	146.82	42.60	-	42.60
Provision for bonus	60.17	-	60.17	61.24	-	61.24
Provision for gratuity	587.70	-	587.70	442.50	-	442.50
Fair value gain in investment	-	(55.66)	(55.66)	-	(3.92)	(3.92)
Voluntary Separation Scheme	445.62	-	445.62	-	-	-
Carry forward MAT credits	3,064.47	-	3,064.47	4,182.71	-	4,182.71
Others	0.92	-	0.92	5.55	-	5.55
Total	5,125.12	(8,862.42)	(3,737.30)	5,470.16	(8,753.88)	(3,283.72)

E. Movement of temporary differences

Particulars	As at 31 March 2020	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2021	Recognised temporary differences	Recognised tax credits (net of adjustments)	As at 31 March 2022
Undistributed profits of associate	(2,306.98)	(42.71)	-	(2,349.69)	(138.08)	-	(2,487.77)
Property, plant and equipment and intangible assets (net)	(5,589.94)	(782.37)	-	(6,372.31)	83.65	-	(6,288.66)
Mark to Market gain on cross currency swaps and forward contracts	(82.94)	82.94	-	-	-	-	-
Investment Property	(26.17)	(1.79)	-	(27.96)	(2.37)	-	(30.33)
Finance Lease liability (Net of ROU)	115.67	27.40	-	143.07	66.48	-	209.55
Provision for compensated absences	542.64	49.85	-	592.49	17.38	-	609.87
Provision for inventory, doubtful debts and advances	112.48	(69.88)	-	42.60	104.22	-	146.82
Provision for bonus	61.96	(0.72)	-	61.24	(1.07)	-	60.17
Provision for gratuity	387.33	55.17	-	442.50	145.20	-	587.70
Fair value gain in investment	(0.22)	(3.70)	-	(3.92)	(51.74)	-	(55.66)
Voluntary Separation Scheme	-	-	-	-	445.62	-	445.62
Carry forward MAT credits	4,492.63	-	(309.92)	4,182.71	-	(1,118.24)	3,064.47
Others	0.67	4.88	-	5.55	(4.63)	-	0.92
Total	(2,292.87)	(680.93)	(309.92)	(3,283.72)	664.66	(1,118.24)	(3,737.30)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

23 Revenue from operations*

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Finished goods	1,64,192.17	1,34,041.39
Traded goods	1,129.59	1,200.32
Moulds, tools and dies	8,210.81	5,062.10
Total Sale of products (A)	1,73,532.57	1,40,303.81
Sale of services (B)	1,130.77	1,596.08
Other operating revenues		
Scrap Sales	278.53	190.41
Others	189.23	507.77
Total Other operating revenues (C)	467.76	698.18
Total- Revenue from operations (A+B+C)	1,75,131.10	1,42,598.07

* refer note 45

24 Other Income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest income		
on bank deposits	23.58	33.25
others	30.33	84.72
Dividend	17.92	11.52
Net gain on sale of property, plant and equipment	26.92	250.59
Rental income from property subleases	26.84	20.41
Provisions/creditors no longer required written back	106.90	5.49
Net gain on account of foreign exchange transaction	144.46	683.17
Net change in fair value of investment in equity shares held at FVTPL	148.04	10.59
Incentive from state government	642.44	1,294.29
Export and other incentive (refer note 42)	104.46	94.93
Miscellaneous income	66.75	34.42
Total	1,338.64	2,523.38

25 Cost of raw material and components consumed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventory of materials at the beginning of the year	12,022.98	9,735.52
Add: Purchases	1,09,197.38	88,492.68
Less: Inventory of materials at the end of the year	(14,931.62)	(12,022.98)
Total	1,06,288.74	86,205.22

25.1 Cost of moulds, tools & dies

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Inventory at the beginning of the year	3,625.38	2,326.13
Add: Purchases	6,919.48	5,677.25
Less: Inventory at the end of the year	(4,270.45)	(3,625.38)
Total	6,274.41	4,378.00

26 Purchase of Traded Goods

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Automotive lamps/components	921.05	449.81
Total	921.05	449.81

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade (refer Note 13)

Particulars		Year ended 31 March 2022	Year ended 31 March 2021
Opening 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
Closing Inventory	Finished goods	2,465.23	2,626.87
	Work-in-progress	3,581.19	2,893.63
	Stock-in-trade	377.62	113.28
		6,424.04	5,633.78
(Increase)/Decrease in Inventory	Finished goods	161.64	(480.23)
	Work-in-progress	(687.56)	(490.05)
	Stock-in-trade	(264.34)	196.90
		(790.26)	(773.38)

28 Employee benefits expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	20,792.54	17,961.13
Contribution to provident and other funds	1,099.23	950.95
Compensated absences	573.97	352.05
Gratuity (refer note 36)	316.33	320.28
Staff welfare	1,301.81	1,095.37
Total	24,083.88	20,679.78

28.1 Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Net Loss on account of Voluntary Separation Scheme	(1,713.95)	-

During the year ended on 31 March 2022, the Company has introduced a Voluntary Separation Scheme (VSS) and the Company has disbursed the amount of ₹ 1,713.95 Lakhs on account of Voluntary Separation Scheme (VSS) to the employees of Gurugram plant

29 Finance costs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses on financial liabilities {net of Capitalized ₹ 300.80 Lakhs (31 March 2021: ₹ 37.52 Lakhs)}	2,116.21	2,738.79
Interest-others	25.28	108.75
Total	2,141.49	2,847.54

30 Depreciation and amortization expense

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of property, plant & equipment	5,942.23	6,039.68
Depreciation on right of use of assets (net of capitalized ₹ 88.51 Lakhs (31 March 2021: ₹ 14.42 Lakhs))	184.18	179.30
Amortization of intangible assets	240.39	232.34
Total	6,366.80	6,451.32

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

31 Other expenses

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Stores and spares	790.82	657.85
Packing material	4,717.23	3,507.88
Power and fuel	5,159.07	4,367.37
Rent (refer note 34)	358.64	297.65
Rates and taxes	76.98	52.85
Insurance	357.43	399.40
Repairs and maintenance	2,659.13	2,572.14
Freight and forwarding	3,073.71	2,590.16
Bank charges	32.42	76.56
Travelling and conveyance	774.97	595.19
Legal and professional	456.23	391.25
Management support fees	2,294.82	2,076.43
Design, support and testing charges	330.49	672.05
Directors' sitting fees	38.20	27.00
Payment to auditors (refer note 31.1 below)	57.26	57.53
Royalty	2,453.43	1,957.74
Warranty	39.80	58.18
Bad Debts	-	33.89
Advances written off	13.15	34.87
Provision for doubtful debts	25.37	34.41
Selling and promotion	113.45	53.05
Communication	129.37	108.38
Printing & stationery	108.06	88.40
Contribution towards Corporate Social Responsibility (refer note 31.2 below)	134.45	163.81
Mark to Market loss on cross currency swaps and forward contracts	-	237.34
Donations	4.55	10.98
Miscellaneous	655.90	608.82
Total	24,854.93	21,731.18

Above expenses include research and development expenses (refer note 41)

31.1 Payment to Auditors (excluding applicable taxes)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
As auditor:		
Audit fee	23.25	23.25
Tax audit fee	3.00	3.00
Limited Review	23.25	23.25
In other capacity:		
Certification fees	4.50	4.50
Reimbursement of expenses	3.26	3.53
Total	57.26	57.53

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

31.2 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 ₹ 128.87 Lakhs (31 March 2021: ₹ 163.81 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 ₹ 134.45 Lakhs (31 March 2021 ₹ 163.81 Lakhs (including unutilized amount of ₹ 46.54 Lakhs pertaining to ongoing projects)) and has accordingly charged the same to the Statement of Profit and Loss.

Details of CSR expenditure:	Year ended 31 March 2022	Year ended 31 March 2021
(a) Gross amount required to be spent by the Company during the year	128.87	163.81
(b) Amount approved by the Board to be spent during the year	130.00	163.81
(c) Amount spent during the year ending:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above in cash	134.45	163.81
(d) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	21.00	21.05
ii) Contribution to Charitable Trust	113.45	96.22
iii) Unspent amount in relation to:		
Ongoing project	-	46.54
Other than ongoing project	-	-

32 Earnings per share (EPS)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
The following reflects the profit and share data used in the basic and diluted EPS computations:		
Net profit for attributable to equity shareholders	4,072.47	1,815.23
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))	43.57	19.42

33 Details of Key Ratio

RATIO ANALYSIS FOR THE FY 2021-22

Based on year closing data	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reasons for changes in ratio by more than 25% as compared to preceding year
(i) Current Ratio	Current Assets	Current Liabilities	0.69	0.64	8%	
(ii) Return on equity Ratio (incl. Extraordinary)	Net Profit after tax	Average Shareholders' Equity	8.55%	4.00%	114%	Note (a)
(iii) Debt Equity Ratio	Total Debt	Shareholders' Equity	0.74	0.65	13%	
(iv) Net Profit Ratio (incl. Extraordinary)	Net Profit	Net Sales	2.33%	1.27%	83%	Note (a)
(v) Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	4.86	4.70	3%	
(vi) Net Capital Turnover Ratio	Net Sales	Working Capital	-6.40	-4.91	30%	Note (a)
(vii) Trade Receivable Turnover Ratio	Revenue from operations	Average Trade receivables	7.81	7.32	7%	
(viii) Trade Payable Turnover Ratio	Total Purchases	Average Trade Payable	2.89	2.86	1%	

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

Based on year closing data	Numerator	Denominator	31 March 2022	31 March 2021	% change	Reasons for changes in ratio by more than 25% as compared to preceding year
(ix) Debt Service Coverage Ratio	Earnings for Debt Service	Debit Service	3.12	2.42	29%	Note (a)
(x) Return on Capital Employed	EBIT	Capital Employed	8.48%	7.89%	7%	
(xi) Return on Investment	Income generated from investments*	Average investments	9.06	2.10	331%	Note (b)

* Includes dividend income, share in profit of associate and gain on change in fair value of investments

Note:

- (a) The operations of the Company were severely affected in the last year due to COVID-19 resulting in significant decline in net sales and profits. Despite second and Third wave of COVID-19 in the current year, Net sales and Net profits have improved significantly.
- (b) The variance is on account of increase in fair value gain on Investment in Caparo Power Limited and PNB Gilt Limited and increase in share in profit of associate in the current year vis-à-vis previous year

34 Disclosure required by Ind AS 116

Particulars	Amount 31 March 2022	Amount 31 March 2021
Right of Use of asset ('ROU')	2,842.82	3,074.04
Transfer of Leasehold land from Property, plant and equipment (net of accumulated depreciation)	-	-
Finance lease liability	(3,678.44)	(3,716.17)
Provision for lease equalization adjusted against ROU by applying para C8(c) (ii) of IND AS 116		-

The amounts recognised in Statement of Profit and Loss are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest on lease liabilities (net of Capitalized ₹ 68.86 Lakhs (31 March 2021 - ₹ 11.69 Lakhs))	250.46	251.48
Expenses relating to short-term leases	305.62	242.65
Expenses relating to leases of low-value assets	53.02	55.00
Total	609.10	549.13

Further, The total cash outflow relating to lease payments during the year amounts to ₹ 398.52 Lakhs (31 March 2021: ₹ 296.34 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 2022	Net Block of ROU as at 31 March 2022	Depreciation for the year ended 31 March 2021	Net Block of ROU as at 31 March 2021
Leasehold land (transferred from Property, plant and equipment)	1.66	123.80	1.66	125.46
Leasehold land and building (gross of capitalization ₹ 88.51 Lakhs (31 March 2021 - ₹ 14.42 Lakhs))	225.75	2,147.70	146.79	2,331.98
Solar power plant	45.28	571.32	45.28	616.60
Total	272.69	2,842.82	193.73	3,074.04

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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 ₹ 26.84 Lakhs (previous year ₹ 20.41 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 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 Description

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Finished goods	1,64,192.17	1,34,041.39
Traded goods	1,129.59	1,200.32
Moulds, tools and dies	8,210.81	5,062.10
Sale of services	1,130.77	1,596.08
Other operating revenues		
Scrap sales	278.53	190.41
Others	189.23	507.77
Total	1,75,131.10	1,42,598.07

B. Revenue from external customer

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
India	1,71,362.18	1,38,823.33
Other countries*	3,768.92	3,774.74
Total	1,75,131.10	1,42,598.07

*Exports to any single country are not material to be disclosed

C. Non current assets**

Particulars	As at 31 March 2022	As at 31 March 2021
India	92,240.66	84,154.33
Other countries#	-	-
Total	92,240.66	84,154.33

** 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 2022	Year ended 31 March 2021
Maruti Suzuki India Limited	42,249.37	35,328.64
Honda Motorcycle and Scooter India Private Limited	24,831.71	21,187.04
Suzuki Motor Gujrat Private Limited	20,391.58	13,849.44
Mahindra & Mahindra Limited	16,643.71	13,266.02

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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 ₹ 1,099.23 Lakhs (previous year ₹ 950.95 Lakhs) has been recognised 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 ₹ 379.64 Lakhs in contributions to its defined benefit plans in FY 2022-23.

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 2022	As at 31 March 2021
Balance at the beginning of the year	3,389.30	3,175.81
Benefits paid	(1,410.46)	(111.77)
Current service cost	227.28	240.76
Interest cost	181.44	214.34
Actuarial (gains) losses recognised in other comprehensive income		
changes in demographic/financial assumptions	83.60	(74.95)
experience adjustments	286.32	(54.89)
Balance at the end of the year	2,757.48	3,389.30

b) Reconciliation of the present value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	2,038.86	2,017.36
Contributions paid into the plan	66.34	1.76
Benefits paid	(1,410.48)	(111.78)
Interest income	92.39	134.81
Actuarial (gains) losses recognised in other comprehensive income	37.78	(3.29)
Balance at the end of the year	824.89	2,038.86
Net defined benefit liability(asset) at the end of the year	1,932.59	1,350.44

c) Expense recognised in Statement of Profit and Loss

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Current service cost	227.28	240.76
Interest cost	181.44	214.34
Past service gain	-	-
Interest income	(92.39)	(134.81)
Total	316.33	320.29

d) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain) loss on defined benefit obligation	369.92	(129.83)
Return on plan assets excluding interest income	(37.78)	3.29
Total	332.14	(126.54)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

e) Plan assets

Plan assets comprise of the following:

Particulars	As at 31 March 2022	As at 31 March 2021
Investment with Insurer	804.00	2,016.05
%age	97.47%	98.88%
Bank	20.89	22.81
%age	2.53%	1.12%

C. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	7.24%	6.76%
Future salary growth	7.00%	6.00%
Attrition rate	9.00%	8.00%

At 31 March 2022, the weighted-average duration of the defined benefit obligation was 20.41 years (31 March 2021: 19.90 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 2022		Year ended 31 March 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(152.54)	169.95	(185.28)	205.55
Future salary growth (1% movement)	161.84	(149.01)	198.87	(182.97)
Attrition rate (1% movement)	2.91	(1.85)	6.63	(7.52)

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.

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 2022			As at 31 March 2021		
		Cost	FVTPL	Amortized cost	Cost	FVTPL	Amortized cost
Financial assets							
Non-current							
Investments	6	-	408.00	-	-	160.00	-
Loans	7	-	-	59.77	-	-	77.38
Others	8	-	-	786.50	-	-	781.92
Current							
Investments	6	-	26.14	-	-	21.10	-
Trade receivables	9	-	-	23,214.44	-	-	21,631.34
Cash and cash equivalents	10	-	-	1,552.57	-	-	283.65
Bank balances other than above	10	-	-	17.12	-	-	31.35
Loans	7	-	-	112.43	-	-	87.90
Others	8	-	-	3,467.69	-	-	3,238.39
Total		-	434.14	29,210.52	-	181.10	26,131.93

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 March 2022			As at 31 March 2021		
		Cost	FVTPL	Amortized cost	Cost	FVTPL	Amortized cost
Financial liabilities							
Non-current							
Borrowings	16	-	-	5,834.15	-	-	1.89
Lease liabilities	17	-	-	3,542.64	-	-	3,617.97
Current							
Borrowings	16	-	-	30,564.91	-	-	30,094.25
Lease liabilities	17	-	-	135.80	-	-	98.20
Trade payables	18	-	-	47,406.18	-	-	37,443.75
Other financial liabilities	19	-	-	5,677.32	-	-	7,442.08
Total		-	-	93,161.00	-	-	78,698.14

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 2022			As at 31 March 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Non - Current						
Investments	-	-	408.00	-	-	160.00
Current						
Investments	26.14	-	-	21.10	-	-
Derivatives	-	-	-	-	-	-

Assets and liabilities which are measured at amortized cost

- Fair value of cash and cash equivalents, other bank balances, trade receivables, loans, other financial assets, trade payables, lease liabilities, 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.

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			
Investments	Market Comparable	EBIDTA	The estimated fair value would increase (decrease) if EBITDA were higher (lower).
	Price of recent transactions	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 2022 and 31 March 2021.

(iii) Level 3 fair values

There have been no transfers to and from Level 3 during the year ended 31 March 2022 and 31 March 2021.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

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 amortized 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

(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 analyze 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 2022	As at 31 March 2021
Balance as at the beginning of the year	96.73	296.71
Additions made during the year	25.37	34.50
Utilized during the year	(0.00)	(234.48)
Balance as at the end of the year	122.10	96.73

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

Loans and other financial assets

- a) The 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.
- b) 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.

(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 ₹ 20,000 Lakhs.
- Vendor and customer finance facility limit of ₹ 15,800 Lakhs.
- Credit/bank guarantee limit of ₹ 13,500 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

Particulars	As at 31 March 2022			As at 31 March 2021		
	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	87.89	31.38	56.51	12.59	10.70	1.89
Vehicle loan from others	-	-	-	0.63	0.63	-
Other borrowings						
Secured						
Term loan from bank	9,555.38	3,777.74	5,777.64	2,000.00	2,000.00	-
Cash credit/Working Capital facility from banks	14,961.91	14,961.91	-	14,008.35	14,008.35	-
Customer finance facility from banks	8,075.91	8,075.91	-	5,000.00	5,000.00	-
Unsecured						
Vendor finance facility from banks	3,717.97	3,717.97	-	9,074.57	9,074.57	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	As at 31 March 2022			As at 31 March 2021		
	Carrying amount	Less than 1 year	More than 1 year	Carrying amount	Less than 1 year	More than 1 year
Lease liability	6,363.16	441.58	5,921.58	6,696.63	389.49	6,307.14
Trade payables	47,406.18	47,406.18	-	37,443.75	37,443.75	-
Other financial liabilities						
Capital creditors	2,181.78	2,181.78	-	1,443.59	1,443.59	-
Interest accrued on borrowings/cash credit	46.53	46.53	-	53.17	53.17	-
Payable to employees	1,926.82	1,926.82	-	1,702.87	1,702.87	-
Unpaid dividend	133.92	133.92	-	136.26	136.26	-
Interest free deposits from customers	5.75	5.75	-	6.75	6.75	-
Book overdraft	-	-	-	20.34	20.34	-
Other liabilities	1,382.52	1,382.52	-	4,079.10	4,079.10	-
Total	95,845.72	84,089.99	11,755.73	81,678.60	75,369.57	6,309.03

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.

(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 optimizing 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 2022	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognised financial assets / (liabilities)	
					Foreign currency	INR
EUR	0.27	-	-	3.79	4.06	342.15
GBP	-	-	-	6.02	6.02	598.45
JPY	-	-	(389.00)	-	(389.00)	(241.77)
USD	-	-	(103.18)	6.52	(96.66)	(7,326.33)
TWD	0.80	-	-	-	0.80	2.11
CZK	23.66	-	(10.27)	-	13.39	46.07

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

As at 31 March 2021	Cash and cash equivalents	Borrowings	Trade payables and other financial liabilities	Trade receivables	Net exposure of recognised 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
IDR	-	-	(1,482.52)	-	(1,482.52)	(7.44)

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 2022		Year ended 31 March 2021	
	Strengthening	Weakening	Strengthening	Weakening
USD (1% movement)	(73.26)	73.26	(48.08)	48.08
JPY (1% movement)	(2.42)	2.42	(0.67)	0.67
EUR (1% movement)	3.42	(3.42)	3.37	(3.37)
GBP (1% movement)	5.98	(5.98)	6.43	(6.43)
Other currencies	0.48	(0.48)	(0.07)	0.07

(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:

Consolidated Balance sheet

Particulars	As at 31 March 2022	As at 31 March 2021
Borrowings		
Term loans (fixed interest)	9,643.27	2,013.22
Cash credit/Working capital facility (variable interest)	14,961.91	14,008.35
Vendor finance facility (variable interest)	3,717.97	9,074.57
Customer finance facility (variable interest)	8,075.91	5,000.00
Total	36,399.06	30,096.14

The Company's fixed rate borrowings are carried at amortized 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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Sensitivity analysis

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
1% increase	(407.70)	(297.43)
1% decrease	407.70	297.43

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
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 18.6.2020)
		Mr Kenjiro Nakazono (Executive Director w.e.f. 18.6.2020)
		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)
4	Entity Controlled / significantly influenced by Key Management Personnel and/or their Relatives	Lumax Auto Technologies Limited
		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 (under Voluntary stike off)
		Bharat Enterprises
		Mahavir Udyog
		D.K. Jain & Sons (HUF) (upto 18.12.2020)
		Lumax FAE Technologies Private Limited
		Lumax Ituran Telematics Private Limited
		Lumax Metallics Private Limited
		Lumax Integrated Ventures Private Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

S. No.	Particulars	Name of Related parties
		Sipal Engineering Private Limited (under Voluntary strike off- Petition filed with NCLT)
		Backcountry Estates Private Limited
		Velomax Mobility Private Limited (Company strike off by ROC on 22.12.2021 upon Voluntary application filed through Form STK-2)
		Finetone Acoustic Private Limited
		Lumax Alps Alpine India Private Limited
		Lumax Charitable Foundation
5	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
		Tianjin Stanley Electric Technology Co. Limited
		Vietnam Stanley Electric Co. Limited
		Shenzhen Stanley Electric Co. Limited
		Guangzhou Stanley Electric Co. Limited
		Sirivit-Stanley Co. Limited
		Stanley Iwaki Works Limited
		Stanley Electric Do Brasil Limited

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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		
		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21				
i)	Sale of Raw Materials and Components (grouped in Consumption)** Lumax Auto Technologies Limited	-	-	-	-	-	-	168.65	-	-	-	168.65			
		-	-	-	-	-	-	239.49	-	-	-	239.49			
		-	-	-	-	-	-	73.24	-	-	-	73.24			
		-	-	-	-	-	-	0.10	-	-	-	0.10			
ii)	Sale of Finished Goods (including Semi-finished Goods)** Lumax Auto Technologies Limited	-	-	-	-	-	-	8,601.83	-	-	-	8,601.83			
		-	-	-	-	-	-	171.14	-	-	-	171.14			
		-	-	-	-	-	-	281.44	-	-	-	281.44			
		-	-	-	-	-	-	3.16	-	-	-	3.16			
		-	-	-	-	-	-	-	-	3.74	5.34	-	5.34		
		-	-	-	-	-	-	-	-	0.37	0.56	-	0.56		
		-	-	-	-	-	-	-	-	-	0.20	-	0.20		
		-	-	-	-	-	-	-	-	-	-	10.13	10.13		
		61.05	8.90	-	-	-	-	-	-	-	-	-	61.05	8.90	
		iii)	Sale of Fixed Assets** Lumax Auto Technologies Limited	-	-	-	-	-	-	282.08	-	-	-	282.08	
				-	-	-	-	-	-	0.69	-	-	-	0.69	
-	-			-	-	-	-	0.99	-	-	-	0.99			
-	-			-	-	-	-	184.01	-	-	-	184.01			
iv)	Sale of Services** Lumax Auto Technologies Limited	-	-	-	-	-	-	-	-	-	-	-			
		-	-	-	-	-	-	-	-	-	-	-			

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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 having significant influence		Total	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	23.20	37.43	23.20	37.43
Pt Indonesia Stanley Electric	-	-	-	-	-	-	-	-	11.96	-	11.96	-
Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	14.32	-	14.32	-
Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	12.31	-	12.31	-
Stanley Electric Co. Limited	75.92	600.39	-	-	-	-	-	-	-	-	75.92	600.39
v) Purchase of Raw Materials, Components and Moulds**												
Lumax Auto Technologies Limited	-	-	-	-	14,204.77	12,333.43	-	-	-	-	14,204.77	12,333.43
Lumax Ancillary Limited	-	-	-	-	8,209.09	6,703.10	-	-	-	-	8,209.09	6,703.10
Lumax Tours & Travels Limited	-	-	-	-	10.71	-	-	-	-	-	10.71	-
Bharat Enterprises	-	-	-	-	3,344.93	2,287.14	-	-	-	-	3,344.93	2,287.14
Mahavir Udyog	-	-	-	-	157.31	197.23	-	-	-	-	157.31	197.23
Lumax Mannoh Allied Technologies Limited	-	-	-	-	49.88	-	-	-	-	-	49.88	-
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	215.31	892.95	215.31	892.95
Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	1,532.79	698.38	1,532.79	698.38
Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	4,053.65	3,225.73	4,053.65	3,225.73
Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	443.02	1,469.94	443.02	1,469.94
Tianjin Stanley Electric Technology Co. Limited	-	-	-	-	-	-	-	-	172.04	-	172.04	-
Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	46.16	26.39	46.16	26.39
Sirvit-Stanley Co. Limited	-	-	-	-	-	-	-	-	603.01	802.12	603.01	802.12
Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	129.10	29.48	129.10	29.48
Stanley Iwaki Works Limited	-	-	-	-	-	-	-	-	3.41	-	3.41	-
Stanley Electric Co. Limited	4,996.72	5,466.53	-	-	-	-	-	-	-	-	4,996.72	5,466.53

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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
		FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	
vi)	Purchase of Packing Material**											
	Mahavir Udyog	-	-	-	-	-	-	3,029.81	2,135.06	-	-	3,029.81
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.21	-	-	-	0.21
vii)	Purchase of Stores & Spares**											
	Lumax Auto Technologies Limited	-	-	-	-	-	-	0.34	0.24	-	-	0.34
	Lumax Ancillary Limited	-	-	-	-	-	-	0.47	0.75	-	-	0.47
	Bharat Enterprises	-	-	-	-	-	-	0.01	-	-	-	0.01
	Mahavir Udyog	-	-	-	-	-	-	-	0.16	-	-	0.16
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	1.70	-	1.70
viii)	Purchase of Fixed Assets**											
	Lumax Ancillary Limited	-	-	-	-	-	-	7.66	-	-	-	7.66
	Lumax Management Services Private Limited	-	-	-	-	-	-	-	73.02	-	-	73.02
	Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	178.04	-	178.04
	Stanley Iwaki Works Limited	-	-	-	-	-	-	-	-	4.12	-	4.12
	Stanley Electric Co. Limited	571.36	117.18	-	-	-	-	-	-	-	-	571.36
ix)	Purchase of Traded Goods**											
	Lumax Auto Technologies Limited	-	-	-	-	-	-	-	0.17	-	-	0.17
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	78.60	-	78.60
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	392.53	-	392.53
x)	Technical Charges**											
	Design & Drawing Charges											
	Stanley Electric Co. Limited	180.22	474.81	-	-	-	-	-	-	-	-	180.22
	Tianjin Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	11.09	78.53	11.09
	Tianjin Stanley Electric Technology Co. Limited	-	-	-	-	-	-	-	-	88.37	-	88.37
	Lumax Auto Technologies Limited	-	-	-	-	-	-	40.10	-	-	-	40.10

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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 having significant influence		Total
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	
Testing Charges											
Stanley Electric Co. Limited	46.56	70.63	-	-	-	-	-	-	-	-	46.56
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	1.93	1.93
Lumax Auto Technologies Limited	-	-	-	-	-	-	6.46	3.70	-	-	6.46
Lumax Ancillary Limited	-	-	-	-	-	-	0.16	-	-	-	0.16
Management Support Fee											
Stanley Electric Co. Limited	949.88	991.29	-	-	-	-	-	-	-	-	949.88
Lumax Management Services Private Limited	-	-	-	-	-	-	1,584.92	1,291.60	-	-	1,584.92
Rent Income**											
Lumax Management Services Private Limited	-	-	-	-	-	-	5.10	5.52	-	-	5.10
Sipal Engineering Private Limited	-	-	-	-	-	-	0.04	0.18	-	-	0.04
Lumax Finance Private Limited	-	-	-	-	-	-	0.17	0.18	-	-	0.17
Lumax Metallics Private Limited	-	-	-	-	-	-	0.17	0.18	-	-	0.17
Lumax Integrated Ventures Private Limited	-	-	-	-	-	-	0.17	0.18	-	-	0.17
Lumax Auto Technologies Limited	-	-	-	-	-	-	0.06	0.06	-	-	0.06
Lumax Ancillary Limited	-	-	-	-	-	-	24.60	0.18	-	-	24.60
Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	0.17	0.25	-	-	0.17
Lumax Tours & Travels Limited	-	-	-	-	-	-	0.17	0.18	-	-	0.17
Lumax FAE Technologies Private Limited	-	-	-	-	-	-	0.08	-	-	-	0.08
Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	0.08	-	-	-	0.08
Lumax Jopp Allied Technologies Limited	-	-	-	-	-	-	0.06	0.05	-	-	0.06
Lumax Alps Alpine India Private Limited	-	-	-	-	-	-	0.08	-	-	-	0.08
Lumax Yokowo Technologies Private Limited	-	-	-	-	-	-	0.18	-	-	-	0.18

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	
	-	-	-	-	-	-	0.17	-	-	-	0.17
Backcountry Estates Private Limited	-	-	-	-	-	-	0.03	0.18	-	-	0.18
Velomax Mobility Private Limited	-	-	-	-	-	-	0.19	-	-	-	0.19
Finetone Acoustic Private Limited	-	-	-	-	-	-	0.17	17.28	-	-	17.28
Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	-	-	-	-	-
xii) Rent Expense**											
Lumax Auto Technologies Limited	-	-	-	-	-	-	296.99	273.51	-	-	296.99
xiii) Payment to Chairman Emeritus											
Mr Dhanesh Kumar Jain	-	-	-	-	30.00	15.00	-	-	-	-	30.00
xiv) Managerial Remuneration (short term employee benefits)*											
Mr Deepak Jain#	-	-	135.84	76.04	-	-	-	-	-	-	135.84
Mr Anmol Jain#	-	-	53.66	26.83	-	-	-	-	-	-	53.66
Mr Tadayoshi Aoki	-	-	17.75	16.34	-	-	-	-	-	-	17.75
Mr Koji Sawada	-	-	-	3.30	-	-	-	-	-	-	3.30
Mr Kenjiro Nakazono	-	-	19.11	13.96	-	-	-	-	-	-	19.11
Mr Vineet Sahn#	-	-	337.51	211.67	-	-	-	-	-	-	337.51
*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	-	-	341.36	164.13	-	-	-	-	-	-	341.36
Mr Anmol Jain	-	-	75.67	-	-	-	-	-	-	-	75.67
Mr Vineet Sahn#	-	-	70.97	34.37	-	-	-	-	-	-	70.97
# 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.											
xvi) Royalty (gross)											
Stanley Electric Co. Limited	2,253.43	1,859.43	-	-	-	-	-	-	-	-	2,253.43
xvii) Dividend Paid											
Mr Deepak Jain	-	-	87.05	70.32	-	-	-	-	-	-	87.05
Mr Anmol Jain	-	-	87.05	70.32	-	-	-	-	-	-	87.05
D.K. Jain & Sons (HUF)	-	-	-	-	-	-	8.58	-	-	-	8.58

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Lumax Auto Technologies Limited	-	-	-	-	-	-	36.75	31.50	-	-	36.75	31.50
Lumax Finance Private Limited	-	-	-	-	-	-	34.54	29.60	-	-	34.54	29.60
Stanley Electric Co. Limited	234.04	200.60	-	-	-	-	-	-	11.34	9.72	234.04	200.60
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	-	11.34	9.72
xviii) Travelling & Conveyance**												
Lumax Tours & Travels Limited	-	-	-	-	-	-	245.55	59.30	-	-	245.55	59.30
Stanley Electric Co. Limited	-	779	-	-	-	-	-	-	-	-	-	779
xix) Freight Inward**												
Lumax Auto Technologies Limited	-	-	-	-	-	-	1.18	0.03	-	-	1.18	0.03
xx) Insurance Charges**												
Lumax Management Services Private Limited	-	-	-	-	-	-	-	27.58	-	-	-	27.58
xxi) Legal & Professional Charges**												
Lumax Ancillary Limited	-	-	-	-	-	-	1.38	-	-	-	1.38	-
Lumax Management Services Private Limited	-	-	-	-	-	-	10.56	10.37	-	-	10.56	10.37
xxii) Miscellaneous Expenses**												
Lumax Auto Technologies Limited	-	-	-	-	-	-	3.03	34.88	-	-	3.03	34.88
Lumax Ancillary Limited	-	-	-	-	-	-	0.40	0.25	-	-	0.40	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	-	-	-	-	-	-	0.05	-	-	-	0.05	-
xxiii) Packing & Forwarding**												
Lumax Ancillary Limited	-	-	-	-	-	-	1.24	-	-	-	1.24	-
Lumax Auto Technologies Limited	-	-	-	-	-	-	0.02	0.28	-	-	0.02	0.28
xxiv) Salaries, wages and bonus												

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21		
Lumax Auto Technologies Limited	-	-	-	-	-	-	18.79	20.26	-	-	18.79	20.26
Lumax Ancillary Limited	-	-	-	-	-	-	-	2.62	-	-	-	2.62
Stanley Electric Co. Limited	18.80	89.15	-	-	-	-	-	-	-	-	18.80	89.15
Mr Vyom Sahni	-	-	-	4.21	11.70	-	-	-	-	-	11.70	4.21
xxv) Printing & Stationery Expenses**												
Lumax Auto Technologies Limited	-	-	-	-	-	-	-	0.51	-	-	-	0.51
xxvi) Reimbursement Received												
Lumax Auto Technologies Limited	-	-	-	-	-	-	(410.29)	(139.34)	-	-	(410.29)	(139.34)
Lumax Management Services Private Limited	-	-	-	-	-	-	(7.47)	(14.25)	-	-	(7.47)	(14.25)
Lumax Ancillary Limited	-	-	-	-	-	-	(11.59)	(16.53)	-	-	(11.59)	(16.53)
Bharat Enterprises	-	-	-	-	-	-	(13.76)	(3.98)	-	-	(13.76)	(3.98)
Mahavir Udyog	-	-	-	-	-	-	(1.37)	(0.78)	-	-	(1.37)	(0.78)
Stanley Electric Co. Limited	(222.32)	(225.53)	-	-	-	-	-	-	-	-	(222.32)	(225.53)
xxvii) Repair to Plant & Machinery**												
Lumax Ancillary Limited	-	-	-	-	-	-	0.93	-	-	-	0.93	-
Bharat Enterprises	-	-	-	-	-	-	0.61	-	-	-	0.61	-
xxviii) Repairs & Maintenance- Others**												
Lumax Management Services Private Limited	-	-	-	-	-	-	116.80	106.37	-	-	116.80	106.37
Stanley Electric Co. Limited	12.18	11.56	-	-	-	-	-	-	-	-	12.18	11.56
xxix) Sales promotion**												
Lumax Tours & Travels Limited	-	-	-	-	-	-	6.65	3.94	-	-	6.65	3.94
Lumax Management Services Private Limited	-	-	-	-	-	-	9.63	-	-	-	9.63	-
xxx) Welfare (Staff And Labor)**												
Lumax Auto Technologies Limited	-	-	-	-	-	-	-	0.51	-	-	-	0.51
Lumax Tours & Travels Limited	-	-	-	-	-	-	-	(1.68)	-	-	-	(1.68)

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Lumax Management Services Private Limited	-	-	-	-	-	-	5.72	1.68	-	-	5.72	1.68
Stanley Electric Co. Limited	-	3.36	-	-	-	-	-	-	-	-	-	3.36
xxvi) Liabilities no longer required written back												
Stanley Electric Co. Limited	-	2.10	-	-	-	-	-	-	-	-	-	2.10
PT Indonesia Stanley Electric	-	-	-	-	-	-	-	-	7.01	-	7.01	-
xxvii) Bad debts												
Guangzhou Stanley Electric Co.Limited	-	-	-	-	-	-	-	-	-	2.84	-	2.84
xxviii) Job Work Charges**												
Lumax Ancillary Limited	-	-	-	-	-	-	2.31	6.34	-	-	2.31	6.34
xxix) Power & Fuel Expenses												
Lumax Ancillary Limited	-	-	-	-	-	-	3.46	-	-	-	3.46	-
xxx) Donations												
Lumax Charitable Foundation	-	-	-	-	-	-	4.55	10.98	-	-	4.55	10.98
xxxi) Corporate Social Responsibility Contribution (CSR)												
Lumax Charitable Foundation	-	-	-	-	-	-	113.45	142.76	-	-	113.45	142.76
xxxii) Siting Fee												
Mr Avinash Parkash Gandhi	-	-	8.20	5.20	-	-	-	-	-	-	8.20	5.20
Mr Rajeev Kapoor	-	-	5.60	4.00	-	-	-	-	-	-	5.60	4.00
Mr Munish Chandra Gupta	-	-	-	2.60	-	-	-	-	-	-	-	2.60
Mr Rattan Kapur	-	-	7.40	4.80	-	-	-	-	-	-	7.40	4.80
Mrs Ritika Modi	-	-	4.40	2.40	-	-	-	-	-	-	4.40	2.40
Mr Vikrampati Singhania	-	-	4.40	1.20	-	-	-	-	-	-	4.40	1.20
Mr Dhiraj Dhar Gupta	-	-	8.20	6.80	-	-	-	-	-	-	8.20	6.80

** The amount is inclusive of GST wherever applicable

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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	
		As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021		
ii)	Trade Receivables												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	3,672.78	3,193.46	-	-	3,672.78	3,193.46
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	0.04	0.09	-	-	0.04	0.09
	Lumax Ancillary Limited	-	-	-	-	-	-	222.71	136.45	-	-	222.71	136.45
	Bharat Enterprises	-	-	-	-	-	-	35.45	16.51	-	-	35.45	16.51
	Lumax Integrated Ventures Private Limited	-	-	-	-	-	-	-	0.08	-	-	-	0.08
	Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	132.76	0.08	-	-	132.76	0.08
	Lumax Metallics Private Limited	-	-	-	-	-	-	-	0.08	-	-	-	0.08
	Lumax Ituran Telematics Private Limited	-	-	-	-	-	-	3.16	-	-	-	3.16	-
	Mahavir Udyog	-	-	-	-	-	-	0.24	0.62	-	-	0.24	0.62
	Stanley Electric Co. Limited	34.17	-	-	-	-	-	-	-	-	-	34.17	7.08
	Stanley Electric Do Brasil Limited	-	-	-	-	-	-	-	-	-	1.05	-	1.05
	Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	-	7.83	-	7.83
	Velomax Mobility Private Limited	-	-	-	-	-	-	-	0.27	-	-	-	0.27
	Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	10.33	-	10.33	-
	Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	14.63	-	14.63	-
ii)	Advance received from Customers												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	11.18	-	-	-	11.18	-
	Bharat Enterprises	-	-	-	-	-	-	-	0.59	-	-	-	0.59
	Stanley Electric Co. Limited	1.99	-	-	-	-	-	-	-	-	-	1.99	-
iii)	Other Recoverable												
	Lumax Auto Technologies Limited	-	-	-	-	-	-	300.00	66.45	-	-	300.00	66.45

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022
iv) Trade Payables											
Lumax Auto Technologies Limited	-	-	-	-	-	-	7,216.58	5,676.99	-	-	7,216.58
Lumax Tours & Travels Limited	-	-	-	-	-	-	30.50	7.89	-	-	30.50
Lumax Ancillary Limited	-	-	-	-	-	-	2,591.61	1,739.65	-	-	2,591.61
Bharat Enterprises	-	-	-	-	-	-	363.09	432.19	-	-	363.09
Mahavir Udyog	-	-	-	-	-	-	882.78	401.35	-	-	882.78
Lumax Management Services Private Limited	-	-	-	-	-	-	508.65	298.34	-	-	508.65
Lumax Mannoh Allied Technologies Limited	-	-	-	-	-	-	22.04	-	-	-	22.04
Thai Stanley Electric Public Co. Limited	-	-	-	-	-	-	-	-	21.28	599.65	21.28
Asian Stanley International Co. Limited	-	-	-	-	-	-	-	-	973.02	127.97	973.02
Guangzhou Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	217.06	130.22	217.06
Pt Indonesia Stanley Electric Stanley Electric (Asia Pacific) Limited	-	-	-	-	-	-	-	-	-	7.44	7.44
Srivit-Stanley Co. Limited	-	-	-	-	-	-	-	-	1140.84	916.31	1,140.84
Shenzhen Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	172.41	39.94	172.41
Tianjin Stanley Electric Technology Co. Limited	-	-	-	-	-	-	-	-	68.29	2.92	68.29
Vietnam Stanley Electric Co. Limited	-	-	-	-	-	-	-	-	204.93	694.08	204.93
Stanley Electric Co. Limited	2,984.99	2,966.93	-	-	-	-	-	-	13.26	11.55	13.26
v) Capital Advance											
Lumax Ancillary Limited	-	-	-	-	-	-	5,276.23	4,957.42	-	-	5,276.23
vi) Advance paid to Vendors											
Lumax Tours & Travels Limited	-	-	-	-	-	-	0.82	3.45	-	-	0.82

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (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 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022
vii) Recoverable from Vendors											
Lumax Ancillary Limited	-	-	-	-	-	531.01	-	-	-	-	531.01
Lumax Auto Technologies Limited	-	-	-	-	-	2.11	-	-	-	-	2.11
Lumax Tours & Travels Limited	-	-	-	-	-	6.07	-	-	-	-	6.07
Bharat Enterprises	-	-	-	-	-	2.74	47.66	-	-	-	2.74
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	-	-	-	-	-	3.45
ix) Loan to Employee											
Mr Vineet Sahni	-	-	-	-	-	-	-	-	-	-	-
Loan given	-	-	-	-	-	-	-	-	-	-	-
Repayment	(30.00)	(30.00)	-	-	-	-	-	-	-	-	(30.00)
Closing Balance	75.00	105.00	-	-	-	-	-	-	-	-	75.00
x) Key Management Payables											
Mr Deepak Jain	-	-	341.36	168.33	-	-	-	-	-	-	341.36
Mr Anmol Jain	-	-	75.67	2.59	-	-	-	-	-	-	75.67
Mr Vineet Sahni	-	-	70.97	21.63	-	-	-	-	-	-	70.97
Mr Tadayoshi Aoki	-	-	-	0.24	-	-	-	-	-	-	0.24
Mr Kenjiro Nakazono	-	-	-	0.24	-	-	-	-	-	-	0.24
Mr Dhiraj Dhar Gupta	-	-	0.36	-	-	-	-	-	-	-	0.36
Mr Dhanesh Kumar Jain	-	-	-	-	0.69	1.99	-	-	-	-	0.69
											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 Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

39 Capital and other commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of Contract (Net of Advances paid during the year ₹ 319.42 Lakhs {31 March 2021: ₹ 5,468.06 Lakhs} remaining to be executed on capital account and not provided for)	1,669.40	4,511.74

40 Contingent liabilities

S. No. Particulars	As at 31 March 2022	As at 31 March 2021
(i) Income tax cases (including ₹ 371.81 Lakhs (31 March 2021: ₹ 371.81 Lakhs) of associate)*	3,455.52	3,455.52
(ii) Excise, customs and Service tax (including ₹ 36.76 Lakhs (31 March 2021: ₹ 36.76 Lakhs) of associate)*	1,961.53	1,286.55
(iii) Sales tax and VAT*	169.80	105.13
(iv) Export obligation#	5,589.49	4,519.61
(v) Claims not acknowledged as debts	550.00	300.00

* The respective management of the 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 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.

During the previous year, the Directorate of Revenue Intelligence ('DRI') conducted an inquiry at the Head office and Gurugram plant of the Company. Based on 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 2022, the Company has received the show cause cum demand notices amounting to ₹ 1,132.26 Lakhs and is awaiting notices amounting to ₹ 183.31 Lakhs from the authorities. Based on its assessment, it believes any demand as per above mentioned contentions shall not be tenable.

#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 ₹ 931.58 Lakhs (31 March 2021: ₹ 753.27 Lakhs).

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.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

41 Details of Research and development expenses are as follows:

A. The Company has incurred expenses on its research and development center at Gurugram (Haryana) approved and recognised by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Capital expenditure	70.68	299.93

b. Revenue expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	1,656.12	1,407.83
Contribution to provident fund	80.42	73.82
Contribution to other funds	11.54	4.76
Staff welfare	56.89	30.74
Gratuity	60.58	35.69
Insurance	6.80	6.89
Repair & maintenance	231.04	218.03
Travelling & conveyance	169.28	179.43
Legal & professional expenses	10.86	11.03
Research & development	17.21	44.77
Power & fuel	26.15	24.26
Miscellaneous	68.64	33.15
Design, support & testing charges	4.01	61.25
Material/Consumable/Spares	0.09	2.15
Depreciation	120.29	140.09
Finance cost	1.52	2.16
Total	2,521.44	2,276.05

B. The Company has incurred expenses on its research and development center at Pune (Maharashtra) approved and recognised by the Ministry of Science & Technology, Government of India.

a. Capital expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Capital expenditure	140.34	26.51

b. Revenue expenditure

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	1,222.84	903.85
Contribution to provident fund	57.18	48.54
Contribution to other funds	13.35	-
Staff welfare	53.50	42.02
Gratuity	45.45	37.75
Insurance	3.67	3.67
Repair & maintenance	183.33	133.33

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Travelling & conveyance	91.65	50.37
Legal & professional expenses	139.82	57.19
Power & fuel	47.30	43.51
Miscellaneous	60.75	31.14
Design, support & testing charges	10.04	23.55
Material/Consumable/Spares	0.49	0.29
Depreciation	131.24	135.37
Finance cost	0.29	1.19
Total	2,060.90	1,511.77

42 Government grant

The government grant/ government assistance recognised are as under:

Nature of grant/assistance	Classification	Year ended 31 March 2022	Year ended 31 March 2021
Export incentives under duty drawback rules and Merchandise Exports from India Scheme (MEIS)	Other Income	104.46	94.93
Incentive from state government (budgetary support from Government of India under GST regime)	Other Income	642.44	1,294.29
Benefit of concessional electricity rate	Adjusted against Power and fuel in other expenses	160.63	82.45

43 Change in classification

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of security deposits from "Loans" to "Others" in financial assets. Comparative amounts in the notes to the consolidated financial statements were reclassified for consistency.

Particulars	As per earlier reported	Revised classification	Difference
Assets			
Non-current Financial assets			
Loans	718.04	77.38	640.66
Others	141.26	781.92	(640.66)

Pursuant to amendment in Schedule III to the Companies Act, 2013, effective from 1 April 2021, the Company has modified the classification of Current portion of secured bank loans from "Other financial liabilities" to "Current Borrowings" in current financial liabilities. Comparative amounts in the notes to the consolidated financial statements were reclassified for consistency.

Particulars	As per earlier reported	Revised classification	Difference
Liabilities			
Current Financial liabilities			
Borrowings	30,082.92	30,094.25	(11.33)
Others	7,453.41	7,442.08	11.33

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

44 Investments accounted using the equity method

The 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 summarizes 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 Company's interest in SL Lumax Limited.

Particulars	As at 31 March 2022	As at 31 March 2021
Carrying value of Investment*	9,746.11	9,033.81

a) Information relating to Assets and Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Percentage ownership interest	21.28%	21.28%
Current assets	53,217.63	60,815.60
Non-current assets	26,581.85	25,096.64
Current liabilities	31,739.73	40,896.16
Non-current liabilities	2,378.05	2,681.16
Net Assets	45,681.70	42,334.92
Company's share of Net Assets (21.28%)	9,721.21	9,008.91

*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 2022	Year ended 31 March 2021
Revenue	1,95,989.17	1,47,730.58
Profit	3,134.77	723.98
Other comprehensive income	212.01	73.21
Total comprehensive income	3,346.78	797.19
Company's share of profit (21.28%)	667.18	154.09
Company's share of OCI (21.28%)	45.12	15.58
Company's share of total comprehensive income (21.28%)	712.30	169.67

45 Disclosure required by Ind AS 115

- The aggregate amount of transaction price allocated to the unsatisfied performance obligations as at 31 March 2022 amounts to ₹ Nil (31 March 2021: ₹ 116.57 Lakhs). This will be recognised as revenue when the moulds will be sold to the customer, which is expected to occur post 31 March 2023*.

*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. 23 to the consolidated financial statements. Further, the revenue is disclosed in the said note is gross of ₹ 799.37 Lakhs (31 March 2021: ₹ 616.94 Lakhs) representing cash discount to customers.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)

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

3. The following table provides further information as required by Ind AS 115:

Particulars	As at / Year ended 31 March 2022	As at / Year ended 31 March 2021
Receivables included in 'Trade receivables'	23,214.44	21,631.34
Revenue recognised in the current year included in the contract liability balance at the beginning of the year.	2,775.64	2,017.35
Unbilled revenue (Contract Assets)	1,441.75	1,161.64
Advances from customers (Contract Liabilities)	2,772.28	3,558.38

- 46 On 1 April 2019, the Company purchased certain assets from Lumax Auto Technologies Limited 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 designing and manufacturing of Electronics Printed Circuit Boards Assembly ('PCB'). The said acquisition was primarily done to optimize cost by indigenization of Printed Circuit Board ('PCB').

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.

For the purpose of impairment testing, Goodwill is allocated to the Company as a whole since the performance of the Company is monitored at that level for internal management purposes. The recoverable amount of the CGU was based on its value in use and was determined by discounting the future cash flows to be generated from the continuing use of the CGU. These calculations use cash flow projections over a period of five years, based on next year financial budgets estimated by management, with extrapolation for the remaining period, and an average of the range of assumptions as mentioned below.

The key assumptions used in the estimation of value in use were as follows:

(in percent)	31 March 2022	31 March 2021
Terminal value growth rate	3%	3%
EBITDA growth rate	8.5%-10.5%	8.5%-10.5%

The cash flow projections included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate and EBITDA margins were determined based on management's estimate. Budgeted EBITDA margin was based on expectations of future outcomes taking into account past experience. The estimation of value in use reflects numerous assumptions that are subject to various risks and uncertainties, including key assumptions regarding expected growth rates and operating margin, expected length and severity of the impact from the COVID-19 pandemic and the shape and timing of the subsequent recovery, as well as other key assumptions with respect to matters outside of the Company's control. It requires significant judgments and estimates, and actual results could be materially different than the judgments and estimates used to estimate value in use.

The Company has used a discount rate of 17% for the current year and previous year which is based on the Weighted Average Cost of Capital (WACC) of comparable market participant, adjusted for specific risks. These estimates are likely to differ from future actual results of operations and cash flows. Based on the above, no impairment was identified as at 31 March 2022 and 31 March 2021 as the recoverable value of the CGU exceeded the carrying value. No reasonably possible change in any of the above key assumptions would cause the carrying amount of these CGU to exceed their recoverable amount.

- 47 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

48 Additional information pursuant to changes in Schedule III

- (i) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.
- (iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except as stated below:

Name of Struck off Companies	Nature of transactions with Struck off Companies	Balance outstanding/ Number of shares held	Relationship with the struck off company
Velomax Mobility Private Limited	Receivable	-	Related Party
Nangalia Fiscal Services Private Limited	Share held by struck off company	100	Shareholder
B.M. Jewelers Private Limited	Share held by struck off company	70	Shareholder
Prakash Leasing Limited	Share held by struck off company	250	Shareholder
G M Somjee Finance Private Limited	Share held by struck off company	470	Shareholder

- (iv) There are no transaction which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (v) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.
- (vi) There are no funds which have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) There are no funds which have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - a) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - b) provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (viii) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have CIC as part of the Group.

Notes to the Consolidated Financial Statements for the year ended 31 March 2022 (Contd.)
(All amounts are presented in ₹ Lakhs, unless otherwise stated)

49 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 2022

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
Company								
Lumax Industries Limited	85.96%	42,270.80	87.01%	3,543.37	115.72%	(332.14)	84.83%	3,211.23
Associate*								
SL Lumax Limited	19.77%	9,721.21	16.38%	667.18	-15.72%	45.12	18.82%	712.30
Adjustment arising out of consolidation	-5.73%	(2,817.61)	-3.39%	(138.08)	-	-	-3.65%	(138.08)
Total	100.00%	49,174.40	100.00%	4,072.47	100.00%	(287.02)	100.00%	3,785.45

*Accounted using Equity method

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
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

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

Sandeep Batra

Partner

Membership No. 093320

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: 24 May 2022

Form AOC-1
Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

PART "A" Subsidiaries : Not Applicable
PART "B" Associates

(₹ in Lakhs unless otherwise stated)

Name of Associates Company	SL Lumax Limited
1. Latest Audited Balance Sheet Date	31 March 2022
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
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	9,721.21
6. Profit/Loss for the year	
a. Considered in Consolidation	66718
b. Not Considered in Consolidation	2,467.59

For and on behalf of the Board of Directors of Lumax Industries Limited
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: 24 May 2022



NOTICE

Notice is hereby given that the Forty First (41st) Annual General Meeting ("AGM") of the Members of Lumax Industries Limited ("Company") will be held as per below mentioned schedule:

Day : Friday
Date : 22 July 2022
Time : 11:00 A.M. (IST)

via two-way Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

- To receive, consider and adopt
 - the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 March 2022, together with the Report of the Board of Directors and Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 March 2022 together with the Report of Auditors thereon.
- To declare a dividend of ₹ 13.50 per equity share as recommended by the Board of Directors for the Financial Year ended 31 March 2022.
- To appoint a Director in place of Mr Vineet Sahni (DIN: 03616096), who retires by rotation and being eligible offers himself for re-appointment.
- To appoint a Director in place of Mr Kenjiro Nakazono (DIN: 08753913), who retires by rotation and being eligible offers himself for re-appointment.
- To appoint M/s S.R. Batliboi & Co. LLP, Chartered Accountants, (FRN: 301003E/E300005) as the Statutory Auditors of the Company, to hold office for a period of 5 years from the conclusion of 41st AGM upto the conclusion of 46th AGM and to fix their remuneration, and to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"Resolved that pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s S.R. Batliboi & Co. LLP, Chartered Accountants (FRN: 301003E/E300005), be and are hereby appointed as the Statutory Auditors of the Company, in place of M/s B S R & Associates LLP, Chartered Accountants, (FRN:116231W/W-100024) whose tenure expires at the conclusion of 41st Annual General Meeting, to hold office for a period of 5 (Five) years from the conclusion of this Annual General Meeting till the conclusion of the 46th Annual General Meeting of the Company to be held in

the year 2027, on such remuneration plus taxes and reimbursement of out of pocket expenses as may be incurred by them in connection with audit of accounts of the Company, as may be mutually agreed between the Board of Directors of the Company and the said Auditors (based on the recommendation of the Audit Committee).

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 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."

SPECIAL BUSINESS:

- 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 2022-23.

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 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: Gurugram
Date: 24 May 2022

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 no. 20/2020 dated 5 May 2020, Circular no. 02/2021 dated 13 January 2021, circular no. 19/2021 dated 08 December 2021, circular no. 21/2021 dated 14 December 2021 and circular no. 2/2022 dated 05 May 2022, in relation to “Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or Other Audio Visual Means (OAVM)” read with other Circulars, as may be applicable (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(s). 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” and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May 2022 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015”, read with other Circulars as may be applicable (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 on or before 31 December 2022. 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 through VC/OAVM pursuant to the MCA circulars, the requirement of physical attendance of members has been dispensed with. Accordingly 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 Section 113 of the Act 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 Limited (Formerly 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 setting out material facts pursuant to Section 102 (1) of the Act, in respect of item no. 5 & 6 of the Notice 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 (“ICSI”) is annexed as **Annexure - I**.
8. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and as required under Secretarial Standards – 2 on General Meetings issued by the ICSI 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. 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.



Notes for AGM Notice: (Contd.)

9. In line with the MCA Circulars and SEBI Circulars the Notice of the AGM along with the Annual Report FY 2021-22 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. The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) at 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, 24 June 2022**.

11. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 12 July 2022 to Friday, 22 July 2022** (both days inclusive) for annual closing and determining the entitlement of shareholders to the Dividend for the FY 2021-22, 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, 11 July 2022 (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 ₹ 13.50 (i.e. 135%) per equity share of the face value of ₹ 10 each, 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, 11 July 2022**.

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. 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 Limited (formerly Kfin Technologies 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;
 - 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.

Notes for AGM Notice: (Contd.)

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 2013-14 has been transferred to the IEPF on 17 September 2021. The unpaid dividend amount for the FY 2014-15 is due for transfer to the IEPF by 20 September 2022. Members who have not yet encashed their dividend for the year 2014-15 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, Kfin Technologies 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 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/Updation of details by Shareholders:** Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank, branch details, bank account number, MICR code, IFSC code, etc.,

- **For shares held in electronic form:** to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
- **For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form(s) can be downloaded from the Company's website under Investor Relations section at <https://www.lumaxworld.in/lumaxindustries/investor-relations.html>.

16. Transfer, Transmission, transposition, dematerialisation of shares and all other investor related matters are attended to and processed by the Company's RTA.

Further, in terms of the requirements of Regulation 40 of the Listing Regulations, the request for transfer of securities shall not be processed unless the securities are held in the dematerialized form with Depositories. Further, the request for transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated 25 January 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialized form:

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal/ Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division/Splitting of securities certificate;
- vi. Consolidation of securities certificates/folios;
- vii. Transmission; and
- viii. Transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize

Notes for AGM Notice: (Contd.)

the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

The Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form(s) can be downloaded from the Company's website under Investor Relations at <https://www.lumaxworld.in/lumaxindustries/investor-relations.html>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

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.

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.

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 <https://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 **Friday, 15 July 2022 by 5:00 P.M. (IST)**. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM depending upon availability of time. 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 **Friday, 15 July 2022**, 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.

Further a person who is not a member as on cut-off date i.e. Friday, 15 July 2022 should treat this notice for information purposes only.

22. The e-voting period shall be from **Tuesday, 19 July 2022 (09:00 A.M.) to Thursday, 21 July 2022 (05:00 P.M.)**. During this period Members holding shares either in physical or dematerialized form, as on **cut-off date** i.e. **Friday, 15 July 2022** 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 cutoff 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

Notes for AGM Notice: (Contd.)

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 <https://www.lumaxworld.in/lumaxindustries> in the Investor Section, as soon as possible after the Meeting is over.
25. The Board has appointed Mr Maneesh Gupta, Practicing Company Secretary, New Delhi as the scrutinizer to scrutinize 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 favor 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/ Authorized 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 <https://www.lumaxworld.in/lumaxindustries> and National Securities Depository Limited (NSDL) i.e. <https://www.evoting.nsd.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. Friday, 22 July 2022.
28. Notice of this AGM, Audited Financial Statements for FY 2021-22 together with Directors' Report and Auditors' Report are also available on the website of the Company <https://www.lumaxworld.in/lumaxindustries>.
29. **A. Instructions for Members attending the AGM through VC/OAVM are as under:**

- I. 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.nsd.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.

- II. Members are encouraged to join the Meeting through Laptops for better experience.
- III. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- IV. 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 Tuesday, 19 July 2022 (09:00 A.M.) to Thursday, 21 July 2022 (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. Friday, 15 July 2022, 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 Friday, 15 July 2022.

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.nsd.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.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </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
	<ol style="list-style-type: none"> 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.

Notes for AGM Notice: (Contd.)

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	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.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned 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.



Notes for AGM Notice: (Contd.)

- c) How to retrieve your 'initial password'?
 - (i) 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'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
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.nsd.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsd.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 Meeting on NSDL e-Voting system.

How to cast your vote electronically and join 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 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 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.nsd.com to reset the password.
3. Any person holding shares in physical form and non individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the **cut-off date** i.e. **Friday, July 15, 2022** may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Company/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. In case, you forgot your password, you can reset your password by using "Forgot User Details/ Password" or "Physical User Reset Password" option available on www.evoting.nsd.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Friday, July 15, 2022 may

Notes for AGM Notice: (Contd.)

follow steps mentioned in the Notice of the AGM under **“Access to NSDL e-Voting system”**.

- 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:

- 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.
- 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.**
- Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- 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:

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 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.
- 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.
- 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.
 - Ms Sarita Mote, Assistant Manager, NSDL at the designated email ID: evoting@nsdl.co.in or saritam@nsdl.co.in or at telephone number :+91-22-24994890.
 - 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: Gurugram
Date: 24 May 2022

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: (Contd.)

EXPLANATORY STATEMENT (PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013)

Item No. 5

M/s B S R & Associates LLP, Chartered Accountants (FRN:116231W/W-100024), have been the Statutory Auditors of the Company since their appointment in 36th Annual General Meeting of the Company held on 22 July, 2017.

Pursuant to the provisions of the Section 139(2) of the Act read with the applicable Rules framed thereunder, the tenure of 5 years of M/s B S R & Associates expires at the conclusion of the 41st AGM.

Accordingly the Board of Directors based on the recommendation of the Audit Committee proposed the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants (FRN: 301003E/E300005) as the Statutory Auditors of the Company in place of B S R & Associates LLP.

The Board recommends the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for a term of five consecutive years from the conclusion of the 41st AGM up to the conclusion of the 46th AGM.

Details as required Pursuant to Regulation 36 (5) of the Listing Regulations, are as under:

- **Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:**

₹ 45,00,000/- (Rupees Forty Five Lakhs only). The appointment shall be for a period of 5 years from the conclusion of the ensuing 41st AGM till the conclusion of 46th AGM of the Company. There is no material change in the fee payable to the new auditors.

- **Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed:**

The recommendations are based on the fulfillment of the eligibility criteria prescribed in the Act.

S. R. Batliboi & Co. LLP (FRN 301003E/E300005), ("the Audit Firm") is registered with the Institute of Chartered Accountants of India (ICAI) and is a peer reviewed audit firm. The Audit Firm is primarily engaged in providing audit and assurance services, and certain tax assurance services to its clients. The Audit Firm is 100+ year old firm and one of the largest Audit firms in India, therefore it perfectly commensurate with the size of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the agenda as set out at Item No.5 of the Notice.

The Board recommends the resolution set forth in Item No. 5 for approval of the Members as an Ordinary Resolution.

Item No. 6

The Board on the recommendation of the Audit Committee, in its Meeting held on 24 May 2022 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 2022-23 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 2023.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the agenda as set out at Item No.6 of the Notice.

The Board recommends the resolution set forth in Item No. 6 for approval of the Members as an Ordinary Resolution.

By Order of the Board
For **Lumax Industries Limited**

Pankaj Mahendru
Company Secretary
M. No. A 28161

Place: Gurugram
Date: 24 May 2022

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: (Contd.)

ANNEXURE I

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS - II ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT AND FIXATION OF REMUNERATION IS FURNISHED BELOW:

Names of Director /DIN	Date of Birth/ Details of Shareholding (Including shareholding as a beneficial owner)	Qualifications/ Nature of Expertise	Relationship with Director Inter-se	Name of Listed Companies in which Directorship held other than Lumax Industries Limited Name of listed entities from which the Director has resigned in the past three years	Chairmanship/ Membership in Committees of Other Public Companies'	Date of first appointment on the Board	Terms and conditions of appointment/re-appointment
Mr Vineet Sahni DIN: 03616096	01 April 1965 Shareholding- 2,616 Equity Shares	B.E. (Mechanical), P.G. Diploma in Business Management and has more than 34 years of vast experience of successful Mergers & Acquisitions, managing overseas partner relationships, setting-up Greenfield projects, rich organizational turnarounds, establishing strong relationships with OEMs across segments - domestic & global	Not Related with any Director/ Manager/ KMP of the Company	Not Applicable	-	01 April 2018	Re-appointment as a Director who is liable to retire by rotation.
Mr Kenjiro Nakazono DIN: 08753913	29 May 1970 Shareholding -NIL	Graduate from Hamamatsu Commercial High School. Having over 30 years of rich experience in Procurement, Planning, Audit and NPD.	Related to Mr Tadayoshi Aoki and Mr Toru Tanabe as Nominee Directors of Stanley Electric Co., Limited	Not Applicable	-	18 June 2020	Re-appointment as a Director who is liable to retire by rotation.
Name of Director / DIN	Remuneration proposed to be paid		Last drawn Remuneration		The number of Meetings of the Board attended during the year		
Mr Vineet Sahni DIN: 03616096	The Re-appointment is based on the retirement by rotation.		₹ 408.48 Lakhs		4/5		
Mr Kenjiro Nakazono DIN: 08753913	The Re-appointment is based on the retirement by rotation.		₹ 19.11 Lakhs		4/5		

Notes:

- The Directorships and Chairmanships/Memberships of Section 8 Companies is not included in above table.



Notes for AGM Notice: (Contd.)

Additional information as per Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Brief Resume of the Directors:

Mr Vineet Sahni

Mr Vineet Sahni is a Senior Executive Director - Whole Time Director and CEO (Key Managerial Personnel of the Company) and has been appointed for a period of 5 Years w.e.f. 01 April, 2018.

Mr Vineet Sahni, aged 57 years, is a B.E. (Mechanical), P.G. Diploma in Business Management and has more than 34 years of vast experience of successful Mergers & Acquisitions, managing overseas partner relationships, setting-up Greenfield projects, rich organizational turnarounds, establishing strong relationships with OEMs across segments - domestic & global.

His rich experience and continued valuable guidance to the management, strong Board performance, has been instrumental in providing expert guidance in the area of marketing, business development and customer relationship.

Mr Kenjiro Nakazono

Mr Kenjiro Nakazono is Executive Wholetime Director (Key Managerial Personnel) of the Company and has been appointed for a period of 3 years w.e.f. 18 June 2020.

He is Graduate from Hamamatsu Commercial High School. Having over 30 years of rich experience in Procurement, Planning, Audit and NPD.

His rich experience and continued valuable guidance to the management, strong Board performance, has been instrumental in providing expert guidance in business development.

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 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 IT Act, effective from 01 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/she has not furnished the return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted/collected. The previous year to be counted is required to be the one whose return filing date under sub-section (l) of section 139 has expired.
 - (ii) Aggregate of tax deducted at source and tax collected at source is rupees fifty thousand or more in said immediate previous year.

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 2022-23 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 2022-23 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