

# **ANNUAL REPORT**

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**Building  
Bonds.**

Lumax Auto Technologies Limited



## Chairman's Message

Dear Shareholder Friends,

India's growth has slowed markedly in the last financial year, reflecting global developments and domestic supply constraints, while inflation remains stubbornly high. Led by falling infrastructure and corporate investment, the slowdown has generalized to other sectors of the economy. However, positive policy steps taken by the Government along with improving external conditions have improved market sentiment. The current account deficit, after reaching a record high in FY 2012-13, is narrowing fast, and capital inflows have picked up. The Indian Economic Growth is projected at 5.4% in FY 2014-15 by the International Monetary Fund.

Friends, the new Government at the Centre with clear mandate has revived hope for resolution of policy bottlenecks, accelerating pending reforms, improvement in private sector sentiment by sending a strong signal and for laying the foundation for India's entry into a phase of healthier growth.

The Indian Automobile Industry's performance has been dampened due to continued economic slowdown, weak consumer sentiments, rising fuel prices and high interest rates. The overall domestic sales during FY 2013-14 grew marginally by 3.53% because of growth of 7.31% in Scooters and motorcycles sales, while commercial vehicle are the most affected, which de-grew by (-) 20.23%, passenger vehicle and three wheelers also de-grew by (-) 6.05% and (-) 10.90% respectively. Thus, it is only the two wheeler that managed to buck the trend of declining sales.

Friends, the Indian Automobile Industry is going through one of the most challenging phases ever. Uncertainty, complexity and ambiguity have shaken the roots of the Industry. Society of Indian Automobile Manufacturers (SIAM) has expressed its hope of slight recovery in the current fiscal year in line with the expectation of an overall economic recovery.

In this backdrop, on consolidated basis, your Company has been able to achieve flat growth in the Sales Turnover of Rs. 7627.57 Million as against Rs. 7663.04 Million in the corresponding previous year. The bottom line came under tremendous pressure due to depreciation and interest cost of Bangalore facility. The Profit after Tax stood at Rs. 302.13 Million as compared to Rs. 410.66 Million during the previous year.

I am glad to inform that the manufacturing facility at Narsapur, Hobli, Karnataka for supply of plastic moulded parts to Honda Motorcycle & Scooters India (HMSI) has commenced operations from July, 2013.

Notwithstanding the challenges, I firmly believe that the industry's long-term prospects remain bright. Going forward, growth will be driven mainly by healthy economic growth, changing consumer preferences and rising aspirations, increased spending on infrastructure development, thrust on rural economy and new product launches, among others.

Your Company's consistent efforts and pursuit of excellence, have given us success and reasons to celebrate. I would like to inform you that the Company has signed two successful Joint Ventures, one with Mannoh Industrial Co. Ltd., Japan for Gear Shifter business and another with Gill-Austem LLC, USA for Seating Mechanisms, Seating Frame Structure and Seat Assemblies business. These Jvs will help in expanding capacities and build capabilities to meet the growing demand for products due to OEMs' increasing focus on local sourcing.

In the end, I would like to express my sincere appreciation to all the employees of Lumax for their contributions and support. I also greatly appreciate the continued confidence of the shareholders in the Company. We will continue to work with as much sincerity and honesty as before in order to face these challenging times, for the growth of the Company and creating value for our customers and shareholders.

D. K. Jain  
Group Chairman

# Lumax Auto Technologies Limited

## BOARD OF DIRECTORS

Mr. D. K. Jain  
Mr. Anmol Jain  
Mr. Deepak Jain  
Mr. Sandeep Dinodia  
Mr. Milap Jain  
Mr. Dhiraj Dhar Gupta  
Mr. Roop Salotra

(Executive Chairman)  
(Managing Director)  
(Non-Executive Director)  
(Independent Director)  
(Independent Director)  
(Independent Director)  
(Independent Director)

## FINANCE HEAD

Mr. Ashish Dubey

## COMPANY SECRETARY

Mr. Pratik Dhuri

## REGISTRAR & SHARE TRANSFER AGENT

Big Share Services Pvt. Ltd.  
E-2/3, Ansa Industrial Estate,  
Saki Vihar Road, Sakinaka,  
Andheri (East), Mumbai- 400 072  
E-mail : [info@bigshareonline.com](mailto:info@bigshareonline.com)

## AUDITORS

D. R. Barve & Co.  
Chartered Accountants,  
461/1, Sadashiv Peth,  
Tilak Road, Pune- 411 030

## REGISTERED OFFICE

Plot No.70, Sector 10, PCNTDA  
Bhosari, Pune,  
Maharashtra – 411026  
E-mail: [shares@lumaxautotech.com](mailto:shares@lumaxautotech.com)  
Website: [www.lumaxautotech.com](http://www.lumaxautotech.com)

## BANKERS

Corporation Bank  
HDFC Bank  
ICICI Bank  
State Bank of India  
Syndicate Bank  
Axis Bank  
HSBC Bank

## WORKS

- 1) Plot No. 70, Sector-10, PCNTDA, Bhosari, Pune, Maharashtra
- 2) W-230-E, 'S' Block, M.I.D.C. Bhosari, Pune, Maharashtra
- 3) Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra
- 4) Plot No. 54/8, D-II, Block-2, M.I.D.C. Chinchwad, Pune, Maharashtra
- 5) G-1, Ranjangaon Industrial Area, Tal. Shirur, Pune, Maharashtra
- 6) A-8, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
- 7) K- 76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
- 8) Khasra No 817/73, Mauza - Moginand, Nahan, Sirmour, Himachal Pradesh
- 9) B-85, Mayapuri Industrial Area, Phase-I, New Delhi (Marketing Division)
- 10) Plot no. 165, Sector-5, IMT Manesar, Gurgaon, Haryana
- 11) Sy. No. 334, 366 & 367, Bellur Village, Narsapura Hobli, Kolar, Bangalore, Karnataka

33<sup>rd</sup>

## Annual Report

2013-2014

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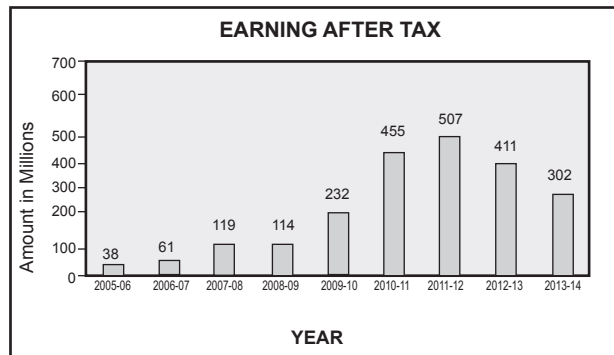
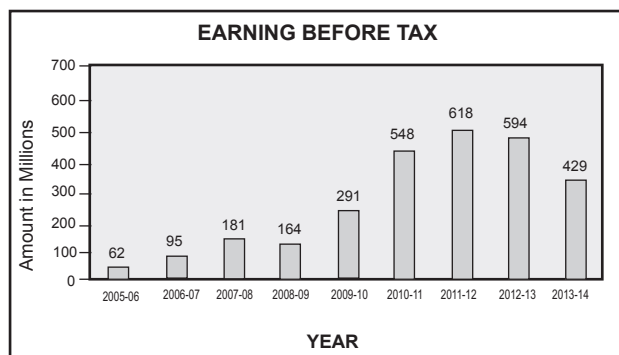
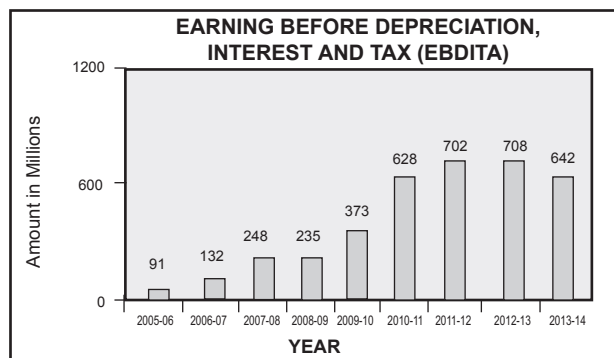
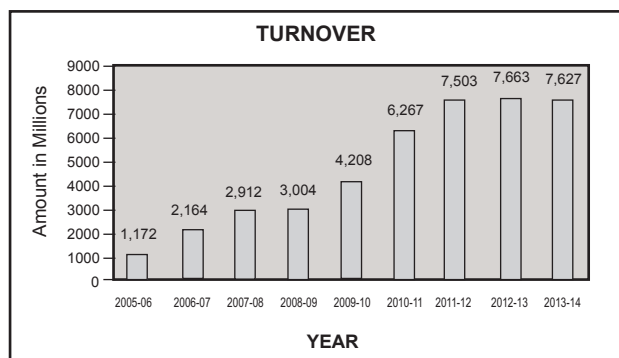
**ANNUAL GENERAL MEETING ON WEDNESDAY, JULY 23, 2014**

# Lumax Auto Technologies Limited

## FINANCIAL DATA (CONSOLIDATED) AT A GLANCE

(Rs. in Million)

PARTICULARS	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Net Sales	7,627	7,663	7,503	6,267	4,208	3,004	2,912	2,164	1,172
Growth (%)	(0.4)	2	20	49	40	3	35	85	37
Other Income	38	37	48	31	9	7	10	3	2
Total Income	7,665	7,700	7,551	6,298	4,217	3,011	2,922	2,167	1,174
EBDITA	642	708	702	628	373	235	248	132	91
% to Net Sales	8.41	9.23	9.35	10.01	8.87	7.81	8.51	6.09	7.76
Earning Before Tax (EBT)	429	594	618	548	291	164	181	95	62
Earning After Tax (EAT)	302	411	507	455	232	114	119	61	38
Equity Share Capital	136	136	136	136	116	116	116	116	71
Earning Per Share (EPS) Rs.	22.16	30.13	37.21	35.23	19.92	9.80	10.24	6.90	7.57
Dividend (%)	60	60	60	60	40	15	15	15	30
Net Worth	2,260	2,113	1,828	1,415	819	638	544	448	133
Return on Capital Employed (ROCE)	17.82	25.24	34.33	39.19	36.08	22.64	26.58	16.21	22.06



## DIRECTORS' REPORT

### To The Members,

It is a great privilege for your Directors to present the 33rd Annual Report on the business and operations together with Audited Balance Sheet and Statement of Profit & Loss of your Company for the year ended March 31, 2014.

### FINANCIAL RESULTS

Your Company's performance during the year as compared with the previous year is summarized below:

(Rs. in Million)

PARTICULARS	2013-14	2012-13
<b>Sales</b> (Excluding Excise Duty)	<b>4766.10</b>	4328.52
<b>EBDITA</b>	<b>339.16</b>	368.06
Finance Expenses	32.67	1.55
Depreciation	81.49	39.38
<b>Profit Before Taxation (PBT)</b>	<b>225.00</b>	327.13
Provision for Taxation, Deferred Tax	74.81	104.15
<b>Profit After Tax (PAT)</b>	<b>150.19</b>	222.98
Balance of Profit brought forward	305.20	200.21
<b>Balances Available for Appropriation</b>	<b>455.39</b>	423.19
<b>Appropriation :</b>		
Proposed Equity Dividend	81.79	81.79
Corporate Dividend Tax	13.90	13.90
Transfer to General Reserve	15.02	22.30
<b>Balance carried forward to Balance Sheet</b>	<b>344.68</b>	305.20
	<b>455.39</b>	423.19
Dividend (%)	60	60
<b>Basic and Diluted earning per Share (EPS) Rs.</b>	<b>11.02</b>	16.36

### DIVIDEND

Keeping in view of the philosophy of the Company to reward its shareholders, the Board of Directors are pleased to recommend a Dividend of 60% (Rs. 6/- per equity share) for the Financial Year 2013-14 (Rs. 6/- previous year). The total amount of Dividend proposed to be distributed and tax thereon aggregates to Rs. 95.69 Million. The Dividend payout ratio comes to 64%.

An amount of Rs.15.02 Million is proposed to be transferred to General Reserve of the Company. This reaffirms the inherent financial strength of your company.

### BUSINESS PERFORMANCE

The financial year ended on March 31, 2014, displayed sluggish economy that affected Indian automotive industry pretty badly. Although overall automobile sales went marginally up by 3.53%, commercial vehicle sales took a dip and costed about 1,50,000 jobs across the entire value chain.

The impact of macroeconomic slowdown on the industry has been so severe that the growth rate in Passenger vehicle segment has dropped to decadal lows of (-)6.05% in 2013-14. However, the domestic two-wheeler industry recorded sales growth of 7.31% over the previous year.

The industry's growth in 2013-14 was led by continued robust demand for scooters. Within the Two Wheelers segment, Scooters and Motorcycles grew at 23.24% and 3.91% respectively, while mopeds declined by (-) 8.35%.<sup>1</sup>

In this backdrop, your Company registered a growth of 10.11% during the year under review, by achieving a Sales Turnover of Rs. 4766.10 Million (on Standalone Basis) as against Rs.4328.52 Million (On Standalone Basis) in the corresponding previous year.

The Profit before Tax stood at Rs.225.00 Million (On Standalone Basis) as compared to Rs.327.13 Million (On Standalone Basis) during the previous year.

On Consolidated Basis, your Company has achieved a Sales Turnover of Rs. 7627.57 Million as against Rs. 7663.04 Million during the previous year.

<sup>1</sup> ICRA Report on Indian Automobile Industry

# Lumax Auto Technologies Limited

On Consolidated Basis, your Company recorded a Profit before Tax of Rs. 429.09 Million during the year under review as compared to Rs. 594.02 Million during the previous year.

During the year under review, the Company's PCNTDA and Chakan unit have received Bronze Award for Quality and Chakan unit has also received TPM Award from Bajaj Auto Limited.

## QUALITY INITIATIVES

Total Productive Maintenance (TPM) aims to create a culture and environment, which constantly tries to maximize the effectiveness of the entire production system by using a hands-on approach to build a "Zero accident, Zero defect & Zero breakdown" system. It is designed to pre-empt losses of all types throughout the life cycle of the production system which includes development, sales, production as well as administration. It involves at every level of the organization, from top management to front-line employees. TPM is the only way to keep customers, employees and stakeholders happy and contented at the same time. The PCNTDA and Chakan Plants have successfully launched TPM Kick-off ceremony.

## NEW PLANT AND FACILITIES

The Plant in Narsapura, Hobli, Karnataka has commenced manufacturing operations and supplies of plastic moulded parts to Honda Motorcycle and Scooters India (HMSI) started from July, 2013.

A detailed discussion on the business performance and future outlook is provided in the Chapter on Management Discussion & Analysis Report (MDA).

## SUBSIDIARY COMPANIES

### 100% SUBSIDIARY- LUMAX DK AUTO INDUSTRIES LIMITED (LDK)

During the year under review, LDK has achieved net sales revenue of Rs. 2490.90 Million as against Rs. 3238.65 Million in the previous year. The Profit after Tax declined to Rs. 128.18 Million from Rs. 184.65 Million during the previous year, mainly due to De-merger of Gear Shifter Division including R & D facilities with effect from October 01, 2013 and Merger of Lumax DK Electric Engineering India Private Limited with the LDK with effect from April 01, 2013.

During the year, LDK received "Award of Appreciation for Cost Saving" from Honda Cars India Ltd., "Certificate of Appreciation for Technology Innovation" from VE Commercial Vehicles Ltd. and "Manufacturing Excellence Award" from Maruti Suzuki India Limited.

In addition to this, LDK has also received "2nd and 3rd Bava Kaizen Awards", "BAL TPM Excellence Award" and "Quality Silver Award" from Bajaj Auto Limited.

During the year under review, pursuant to the Scheme of Amalgamation between LDK and its 100% subsidiary, Lumax DK Electric Engineering India Private Limited (LDKEEIPL) (Formerly known as Stanley Electric Engineering India Private Limited), LDKEEIPL has been merged with the LDK vide Order dated 20-01-2014 of the Hon'ble High Court of Delhi at New Delhi with effect from the appointed date i.e. April 01, 2013. The Authorized Capital of the LDK has been increased by Rs. 161,000,000 pursuant to the merger.

During the year under review, pursuant to the Scheme of Arrangement between LDK and Lumax Mannoh Allied Technologies Limited (LMAT) (Formerly known as Lumax Mannoh Allied Technologies Private Limited), the Gear Shifter division (including research and development facilities) {demerged business undertaking} of LDK has been demerged from the LDK and transferred to LMAT vide Order dated February 10, 2014 of the Hon'ble High Court of Delhi at New Delhi. The Assets and Liabilities pertaining to De-merged undertaking have also been transferred to LMAT with effect from the appointed Date i.e. October 01, 2013.

Accordingly, 3,470,517 numbers of Equity Shares of Rs.10/- each of LMAT were allotted to Lumax Auto Technologies Limited pursuant to the demerger.

### NEW SUBSIDIARY COMPANY - LUMAX MANNOH ALLIED TECHNOLOGIES LIMITED (LMAT)

Lumax Auto Technologies Ltd. through its wholly owned subsidiary, LDK, is the market leader in Design, Testing and Manufacturing of Parking Brakes & Gear Shift levers in India from last 10 years with an overall domestic market share of more than 60% with a strong presence in both passenger cars & commercial vehicle segments.

However, in order to fully exploit the opportunity in exports market and to provide necessary focus, flexibility and speed to the Gear Shift lever business, Lumax Mannoh Allied Technologies Limited (LMAT) was incorporated on July 22, 2013, as a 100% subsidiary of LATL. Further, the Gear Shifter division (including research and development facilities) {demerged business undertaking} of LDK has been demerged from the LDK and transferred to LMAT w.e.f. October 01, 2013.

Lumax Auto Technologies Limited, Mannoh Industrial Co. Ltd., Japan, LDK and LMAT have entered into Joint Venture and Share Purchase and Shareholders' Agreement on March 4, 2014. The Mannoh Industrial Co., Ltd., is the technology leader in Automatic, AMT, CVT and MT type Gear shift lever assemblies in Japan with Production locations in Japan, Indonesia & Thailand since more than 50 years. The JV will completely localize with designing & testing capability in India through its R&D centre located at Manesar.

In terms of the JV agreement, Mannoh Industrial Co., Ltd., Japan has remitted Rs. 237.15 Million towards acquisition of 45% equity holding i.e. 1,566,233 No. of equity shares of LMAT.

**JOINT VENTURE COMPANIES****LUMAX CORNAGLIA AUTO TECHNOLOGIES PRIVATE LIMITED (LCAT)**

During the year under review, LCAT has reported growth of 13% by recording net sales of Rs. 253.36 Million as against Rs. 225.08 Million in the previous year. The Profit after Tax has also increased by 60% to Rs.13.48 Million from Rs. 8.42 Million during the previous year.

Presently, LCAT is supplying Air Intake System (AIS) to leading automobile manufactures in India viz. TATA, FIAT, VOLKSWAGEN, SKODA & General Motors and during the year it has received LOI for Development of AIS for 3 new programs of Tata Motors. Tooling up samples are already approved & SOP will start in Q2 of FY 2014-15. LCAT has also received new enquiries from Global Customers like Daimler, MAN & Volvo. LCAT is carrying out the feasibility study for the same.

The manufacturing facility at Chakan Industrial Area, Pune is ready to supply Exhaust Systems to Tata Motors for its Nano models. However, due to delay in customer program SOP (namely Tata Motors Nano 2 Cyl. AMT & 3 Cyl. Gasoline), commercial production will start in end of Q2, FY 2014-15.

LCAT is truly on course to achieve its VISION – 2015 i.e. to become a full service provider for Automotive Air Intake & Exhaust Systems with the application of innovative and cost effective solutions that will add value to the customers as well as to the organization. Further to complement its Vision, LCAT has initiated development of local engineering capability.

**NEW JV COMPANY – LUMAX GILL-AUSTEM AUTO TECHNOLOGIES PRIVATE LIMITED (LGAT)**

In order to strengthen its foothold in the seat frame business, your Company has entered into a Joint Venture Agreement with Gill-Austem LLC as new JV Company - Lumax Gill-Austem Auto Technologies Private Limited (LGAT) was incorporated during the year. The JV will manufacture, assemble and sell various type of Seating Mechanisms, Seating Frame Structure and Seat Assemblies to Automobile Manufacturers. Gill-Austem LLC is also a Joint Venture between two industry leaders, Gill Group, USA and Austem, Korea, in the manufacture and sale of components such as Seating Mechanisms, Seating Assemblies and Head Restraints for the automotive industry. The Gill-Austem Group has a very strong presence in North America, Europe and Asia in Seating Assembly Business.

The existing Seat Frame Business being carried on by LATL shall be transferred to the JV Company. The JV Company is in the process of setting up the new project and its commercial operations are expected to commence during the FY 2014-15.

**DIRECTORS**

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Anmol Jain, Director is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

During the year under review, following changes were made in the management structure of the company with a view to provide the organizational structure and leadership needed to execute strategic plan and fulfill the enormous promise of the company. These changes are aimed at driving innovation, accelerating profitable growth and increasing both accountability and shareholder value. Above all else, they will help the company better serve its customers and end users:

- i) Mr. D.K. Jain, Chairman has been appointed as Executive Chairman of the Company.
- ii) Mr. Anmol Jain, Director has been appointed as Managing Director of the Company.
- iii) Mr. Deepak Jain has been appointed as Additional Director of the Company.

Mr. Deepak Jain, aged 39 years, is a B.B.A. from Illinois Institute of Technology, USA with specialization in Operations Management and International Business and one of the promoters of the Company. He has undergone extensive training at I I Stanley Co., Inc., USA and Stanley Electric Co. Ltd., Japan after completing his B.B.A. He has 18 years of work experience in manufacturing Automotive Components. He is holding various positions in different associations like Automotive Component Manufacturers Association (ACMA), Young Presidents' Organization (YPO) etc.

Mr. Roop Salotra and Mr. Milap Jain have been appointed as additional directors, designated as Independent Directors, on the Board of the Company w.e.f. October 29, 2013 and February 12, 2014 respectively.

Mr. Roop Salotra, aged 63 years, is a Mechanical Engineer and has done various Management Programs including Executive program in strategy & organization at Stanford Business School. He has retired from SRF Group, after spending 24 years as CEO and president. He is actively involved with Confederation of Industry (CII), particularly National Council on Environment and National Council on Climate Change. He is former chairman of Indian Chemical Council (ICC) (Northern region).

Mr. Milap Jain, aged 62 years, is a Graduate in Political Science (H) from Ravenshaw College, Cuttack. He is a retired Indian Revenue Service officer and served the Government of India for over 38 years. In his last role as Chief Commissioner of Income Tax, Delhi, he was responsible for administration & Tax Collection of the entire Delhi region. Prior to that, he represented the country in various International forums and oversaw Transfer Pricing Issues and taxation & assessment of non-residents & foreign companies as Director General of International taxation. He has received the Prime Minister's Award for Excellence in Public Administration.

In accordance with the Articles of Association of the Company and the Companies Act, 2013, Mr. Deepak Jain, Mr. Roop Salotra and Mr. Milap Jain hold office till the ensuing Annual General meeting. The Company has received Notices in respect of Mr. Deepak Jain, Mr. Roop Salotra and Mr. Milap Jain from a member under Section 160 of the Companies Act, 2013 proposing their appointment as Directors of the

Company. Mr. Deepak Jain, not being an Independent Director, proposed to be appointed as Director, whose period of office shall be liable to determination by retirement of directors by rotation.

Mrs. Usha Jain resigned from the position of Managing Director as well as Directorship of the Company. The Board places on record its sincere appreciation and gratitude for the valuable guidance received from Mrs. Usha Jain during her tenure as Managing Director of the Company.

Mr. Manmohan Sachdev and Mr. A.V. Alexander, Independent Directors have also resigned from the Board of the Company. The Board places on record its sincere appreciation and gratitude for the valuable guidance received from them during their tenure as Independent Directors of the Company.

Consequent to notification of Section 149 and other and applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of all Independent Directors for five consecutive years from the ensuing AGM and they shall not be liable to retire by rotation.

Your Directors recommend the appointment/ re-appointment of the above Directors at the ensuing Annual General Meeting.

## **DIRECTORS RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act 1956, the Directors state:

- (i) That in the preparation of the Annual Accounts for the Financial Year ended March 31, 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them 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 at the end of the financial year and of the profit or 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 Companies Act, 1956 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.

## **FIXED DEPOSITS**

During the year under review the Company has not accepted any Deposit under Section 58A and 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

## **AUDITORS**

M/s D. R. Barve & Co., Chartered Accountants, auditors of the Company, who retire at the conclusion of the ensuing Annual General Meeting, have expressed their unwillingness to continue as the Statutory Auditors of the Company. Your Directors therefore propose to appoint M/s S.R. Batliboi & Co. LLP, Chartered Accountants, who are one of the leading accounting and auditing firms of the country, as the Statutory Auditors of the Company for a period of 5 consecutive years, from the conclusion of the ensuing Annual General Meeting till the conclusion of the sixth consecutive Annual General Meeting. M/s S.R. Batliboi & Co. LLP, Chartered Accountants, have given their consent to act as Auditors of the Company and have further confirmed that their appointment, if made, would be in conformity with the provisions of Section 141 of the Companies Act, 2013. The Audit Committee in its meeting held on May 29, 2014 has also recommended the appointment of M/s S.R. Batliboi & Co. LLP, as Statutory Auditors of the Company. Your directors also recommend their appointment.

During the year, all the recommendations of the Audit Committee were accepted by the Board. Hence there is no need for disclosure of the same in this Report.

## **COST AUDITORS**

The Board has re-appointed M/s Jitender, Navneet & Co. as the Cost Auditors of the Company in accordance with Section 233B of the Companies Act, 1956 and in conformity with the directives of the Central Government, for the audit of the cost accounts of the Company for the Financial Year 2013-14. The Cost Audit Report for the Financial year 2012-13 has been filed with the Central Government within the stipulated time on September 28, 2013.

## **CONSOLIDATED FINANCIAL STATEMENT**

The Consolidated Financial Statements of the Company are prepared in accordance with the Accounting Standards, Companies Act, 1956 and all other laws for the time being in force (if applicable) and the same forms part of this Annual Report.

Further, in accordance with the Circular issued by Ministry of Corporate Affairs (MCA), granting the general exemption from the provisions of Section 212 of the Companies Act, 1956, your Company is not attaching the Annual Accounts for the year ended March 31, 2014 and other related documents of its subsidiary companies with this Annual Report. Any shareholder interested in obtaining a copy of the Annual Accounts of subsidiaries may write to the Company Secretary at the registered office of the Company and the company undertakes to supply the same along with all related detailed information. In addition, the Company shall also keep the same Annual Accounts for inspection by any shareholder at the registered office of the Company and subsidiaries.

**MATERIAL CHANGES AND COMMITMENTS**

Apart from Rs. 237.15 Million remitted by Mannoh Industrial Co. Ltd., Japan, towards share purchase of Lumax Mannoh Allied Technologies Limited as mentioned earlier in this report, no other material changes and commitments affecting the Financial position of the Company have occurred between April 1, 2014 and the date on which this Report has been signed.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Pursuant to the provisions of Clause 49 of the Listing Agreement, Management Discussion & Analysis Report is annexed as part of this report separately as Annexure - A.

**OTHER INFORMATION**

Disclosure of information regarding Conservation of Energy, Research & Development, Technology Absorption and Foreign Exchange Earnings and Outgo etc. under Section 217(1)(e) of the Companies Act, 1956, is annexed separately as Annexure - B.

**CORPORATE GOVERNANCE**

The report on Corporate Governance together with the Auditor's Certificate regarding the Compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed and forms part of this Annual Report as Annexure C.

**PARTICULARS OF EMPLOYEES**

Information on Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 forms an integral part of this report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report is being sent to the shareholders of the Company excluding the Statement of Particulars of employees under Section 217(2A) of the Companies Act, 1956. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the registered office of the Company.

**ACKNOWLEDGEMENT**

Your Directors place on record their sincere thanks to all its highly valued customers, its Technical Collaborators, Joint Venture Partners, all other business partners, all the Shareholders, Financial Institutions, Banks, Vendors and various Government agencies for the assistance, co-operation and encouragement they extended to the Company.

The Board would also like to acknowledge the co-operation and commitment rendered by all the associates and employees of the Company for their unstinted support shown during these challenging times.

**For and on behalf of the Board of Directors**

**Place : New Delhi**  
**Dated : May 29, 2014**

**D. K. JAIN**  
**CHAIRMAN**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **a) INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK**

#### **ECONOMIC ENVIRONMENT**

##### **GLOBAL ECONOMY**

World economic growth was 3.9% in 2011, 3.1% in 2012 and 3% in 2013. Among India's major trading partners, who are also the major sources of our foreign capital inflows, the United States has just recovered from a long recession; Japan's economy is responding to the stimulus; the Eurozone, as a whole, is reporting a growth of 0.2%; and China's growth has slowed from 9.3% in 2011 to 7.7% in 2013.

The Global Risks 2014 report (World Economic Forum) has mapped 31 global risks. Of highest concern are ten risks that include fiscal crisis, structurally high unemployment or underemployment, income disparity, governance failure, food crisis, and political and social instability. The challenges that India face are common to all emerging economies. 2012 and 2013 were years of turbulence. Only a handful of countries were able to keep their head above the water, and among them was India.<sup>2</sup>

##### **INDIAN ECONOMY**

The Indian economy weathered the global financial crisis rather well and quickly recovered from the decline in growth rate in 2008-09 to a healthy growth that averaged around 9% annually in 2009-10 and 2010-11. However, this recovery was short-lived and growth rate declined to 6.2% in 2011-12 and 5% in 2012-13, on account of both domestic and external factors.

The economy went through a sharp and prolonged cyclical downturn since the onset of Eurozone crisis in 2011-12 with a growth slowdown, elevated fiscal and current account deficits and a persistence of retail inflation. Some of the sectors like mining and manufacturing went through a prolonged downturn spilling over on to the macroeconomic outcome. Government has calibrated its policies to improve the outcome with some success.

The Gross Domestic Product (GDP) is estimated to have grown at 4.9% in 2013-14 with agriculture, industry and services registering growth rates of 4.6%, 0.7% and 6.9% respectively. The sub-5% growth of the economy in 2013-14 is primarily the result of the continued slowdown in the industrial sector and lower growth in the 'trade, hotels, transport and communications' segment of the service sector.

While the recovery in real GDP growth is small and the process likely to be gradual, but it is sustainable for the following reasons: the pickup in industry is firmer; agriculture output is second highest ever which could moderate food inflation that is the key reason for elevated headline inflation (particularly retail); and, services sector in GDP which is yet to pick up is likely to do so as it usually follows with a lag. Besides, the external sector environment is less uncertain now. This, together with the fiscal space being created, is likely to provide a fillip to growth going forward.<sup>3</sup>

##### **INDIA OUTLOOK FY 2014-15**

India's economy, in terms of the size of its GDP, is the 11th largest in the world. There is a well-argued view that in the next three decades India's nominal GDP will take the country to the third rank after the US and China. Just as the fortunes of the developed countries affect the emerging economies today, the fortunes of China and India will, in the future, have a significant impact on the rest of the world.<sup>3</sup>

The World Economic Outlook update released by the International Monetary Fund in January 2014 has revised the growth projection for the world economy slightly upwards to 3% and 3.7% for 2013 and 2014 respectively. From 2014 onwards, global growth prospects are projected to improve over the medium term at a gradual pace.

In India, several reform measures have been undertaken including clearance of several large projects by the Cabinet Committee on Investment. These steps could help in revival of investment and growth in the economy. In addition, resurgence of exports, prospects of revival in the global economy and moderation in inflation observed recently, point to a better outlook for the Indian economy in 2014-15 vis-à-vis 2013-14.<sup>4</sup>

The formation of new Government at the Centre with clear mandate has revived hope for structural reforms and better investment climate and the country's growth is likely to accelerate as the new government will be able to undertake previously stalled reforms which can help in increasing economic growth. The new government's reforms agenda includes removing supply-side bottlenecks to growth, reducing the fiscal deficit, incentivising infrastructure investment, focusing on labour incentive manufacturing and improving governance.

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<sup>2</sup>Budget Speech 2014, Government of India

<sup>3</sup>Mid-Year Economic Analysis 2013-14, Government of India

<sup>4</sup>Macro-Economic Framework Statement 2014-15

## AUTO AND AUTO COMPONENT INDUSTRY OUTLOOK

India represents one of the world's largest car markets. Easy availability of finance and rising income levels are encouraging the middle class population to choose from the vast range of passenger vehicles.

The Indian auto industry has been recording tremendous growth over the years and has emerged as a major contributor to India's gross domestic product (GDP). The industry currently accounts for almost 7% of the country's GDP and employs about 19 million people both directly and indirectly.

While Indian auto market has been witnessing cyclic ups and downs in the past, the current recession is the worst it has ever experienced. There is a slowdown across segments and the sentiment is very negative. The prolonged spell of the current downturn has cast a gloom in the market. The historical evidence clearly suggests that the fate of auto market is essentially linked with the pace of economic growth & development.

The current uncertainties notwithstanding, the Indian automotive market is poised for a steady growth going forward. Growth drivers such as rising income levels and changing life styles, particularly the growing aspirations of rural India, increasing urbanisation necessitating the increased mobility needs, low penetration levels and changing consumption pattern, are in place to fuel healthy demand in medium and long runs.

The year 2013 was marked by a broad based slowdown in auto sales owing to sustained deceleration in economic activity and consequent weakness in consumer and business sentiment. The domestic automobile sales grew marginally by 3.53% during 2013-14, as compared to a growth of 2.61% over the same period last year. While an immediate upturn in the auto industry is not expected, the worst may be behind us. Expectations of improvement in economic environment from the second half of 2014 along with potential interest rate cuts are likely to provide support to auto sales in the year ahead. It is expected that the deferred purchases will get converted into actual sales, mainly after the initial two quarters, owing to pick up in industrial activity and increase in infrastructure spending. Improvement in consumer sentiments particularly in rural areas would act as a positive trigger for certain segments and companies within the Auto industry.<sup>5</sup>

### Automobile Industry Trend

Production			Sales		Export	
Year	Units	Growth	Units	Growth	Units	Growth
2013-14	21,485,026	4%	17,793,701	3.5%	2,898,907	7%
2012-13	20,649,811		18,424,538		3,107,893	

Source: SIAM

## DOMESTIC SALES

### COMMERCIAL VEHICLE

The sales of commercial vehicles (CVs) entered into the negative territory as slowdown in industrial activity coupled with sluggish infrastructure spending, tight financing environment and frequent diesel price increases led to de-growth of (-) 20.23% in April-March 2014 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) registered negative growth at (-) 25.33% and Light Commercial Vehicles also dropped by (-) 17.62%.

### PASSENGER VEHICLE

The buoyancy in domestic passenger vehicle (PV) sales has been on a wane since the beginning of 2013 as rising fuel prices and high interest rates led to sharp increase in ownership costs, deterring customers from making vehicle purchases. The sales of Passenger Vehicles declined by (-) 6.05% during April-March 2014 over the same period last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans dropped by (-) 4.65%, (-) 5.01% and (-) 19.58% respectively.

### THREE WHEELERS

Three Wheelers sales declined by (-) 10.90% in April-March 2014 over the same period last year. Passenger Carriers and Goods Carriers declined by (-) 12.74% and (-)2.53% respectively.

<sup>5</sup> Sectoral Outlook-Dun & Bradstreet

## TWO WHEELERS

The slowdown in two-wheeler domestic sales continued into 2013 as increase in fuel prices, high interest rates and inflation significantly weighed down urban consumer sentiment. Two Wheelers sales registered growth of 7.31% during April-March 2014 over April-March 2013. Within the Two Wheelers segment, Scooters and Motorcycles grew at 23.24% and 3.91% respectively, while Mopeds declined by (-) 8.35%.

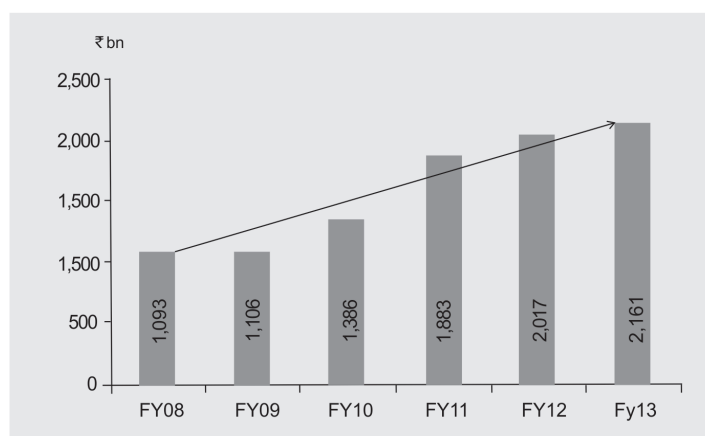
## EXPORTS

Auto companies increased their focus on overseas markets (mainly emerging markets) in an attempt to offset slowing sales growth in the domestic market. As a result, during April-March 2014, overall automobile exports grew by 7.21%. Passenger Vehicles, Three Wheelers and Two Wheelers registered growth at 6.09%, 16.60% and 6.52% respectively, while Commercial Vehicles declined by (-) 3.71%.<sup>6</sup>

## AUTO COMPONENT INDUSTRY

The Indian auto components industry is one of the fastest growing industries in the country. It has grown at a CAGR of 14.6% during the last five years ended 2012-13. The industry has a distinct global competitive advantage in terms of cost and quality and this has aided in its transformation from a local supplier to a global auto parts supplier catering to some of the big names in the global automobile industry. The cost advantage stems from the cost-competitiveness in raw material and labour, while its established manufacturing base is a compelling attraction for global OEMs to outsource components from India. The industry is transforming itself from a low-volume highly fragmented industry into a competitive industry backed by competitive strengths, technology and transition up the value chain. The annual turnover of Indian auto component industry was around Rs. 2,161 billion during FY13, almost twice the size in FY08.

**Indian Auto Component Industry**



Source: ACMA

Several factors have enabled this transformation of the Indian auto components industry. The government's role has been in the form of initiatives and incentives, additional subsidies and formation of various clusters as also economic liberalisation. The gradual increase witnessed in the per capita income in India has led to leading aspirations and greater demand for automobiles, which in turn has boosted the demand for auto components. In addition, the entry of various foreign players in the Indian market led to companies adopting innovative marketing strategies to fend competition. The competitive intensity led to the improvement in the end products.<sup>7</sup>

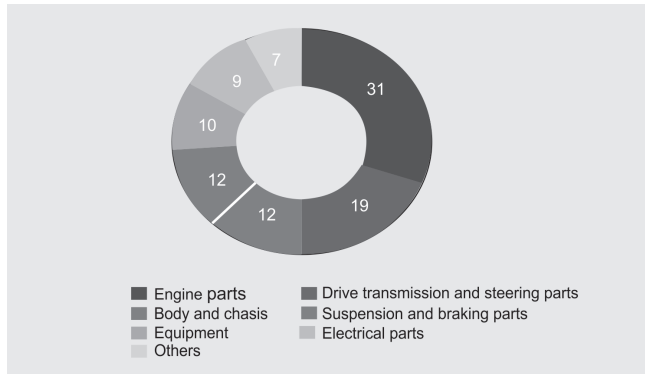
## Product Range

The Indian auto components industry offers a comprehensive product range, consisting of approximately 20,000 components required for vehicle manufacturing. The entire product range is grouped into seven categories. Engine parts and drive transmission and steering parts are the two main product categories, contributing to 50% of the Indian auto component industry in FY13.

<sup>6</sup> SIAM

<sup>7</sup> Dun & Bradstreet Auto Component Industry Overview

Product Range - Share of Products in FY13 (%)



Source: ACMA Annual Report FY13

## Falling Exports due to Global Slowdown

Indian auto component makers are facing the heat of a global auto slowdown thereby resulting in falling exports, which is further aggravated by weak domestic demand. Europe, which accounts for one-third of India's component exports, is still reeling under the pressure of slow economic growth.

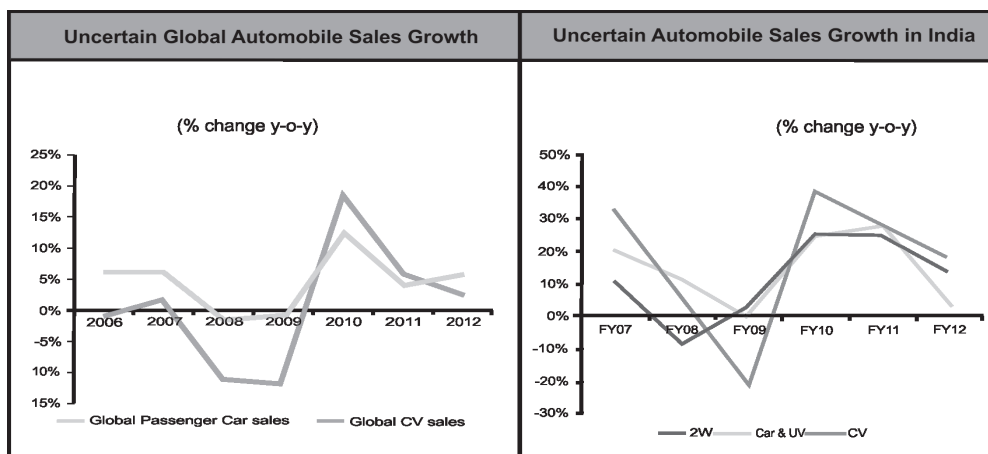
## IMPACT OF VUCA ON INDIA'S AUTO-COMPONENT INDUSTRY<sup>9</sup>

The auto-components industry is currently challenged with strategizing and executing plans to sustain and grow in a business environment characterized by increased volatility, uncertainty, complexity and ambiguity (VUCA). A strong domestic macro economy and robust market conditions had sheltered the auto-components industry from the short-term negative impact of the 'global VUCA-effect' that hit industries across the world in the aftermath of the recent international economic crisis. Beginning FY2011, the Indian economy started slowing down. Since then, the automobile and auto-components industry have steadily been exposed to the pressures of a global and a local VUCA effect simultaneously.

VUCA means, an era of permanent:

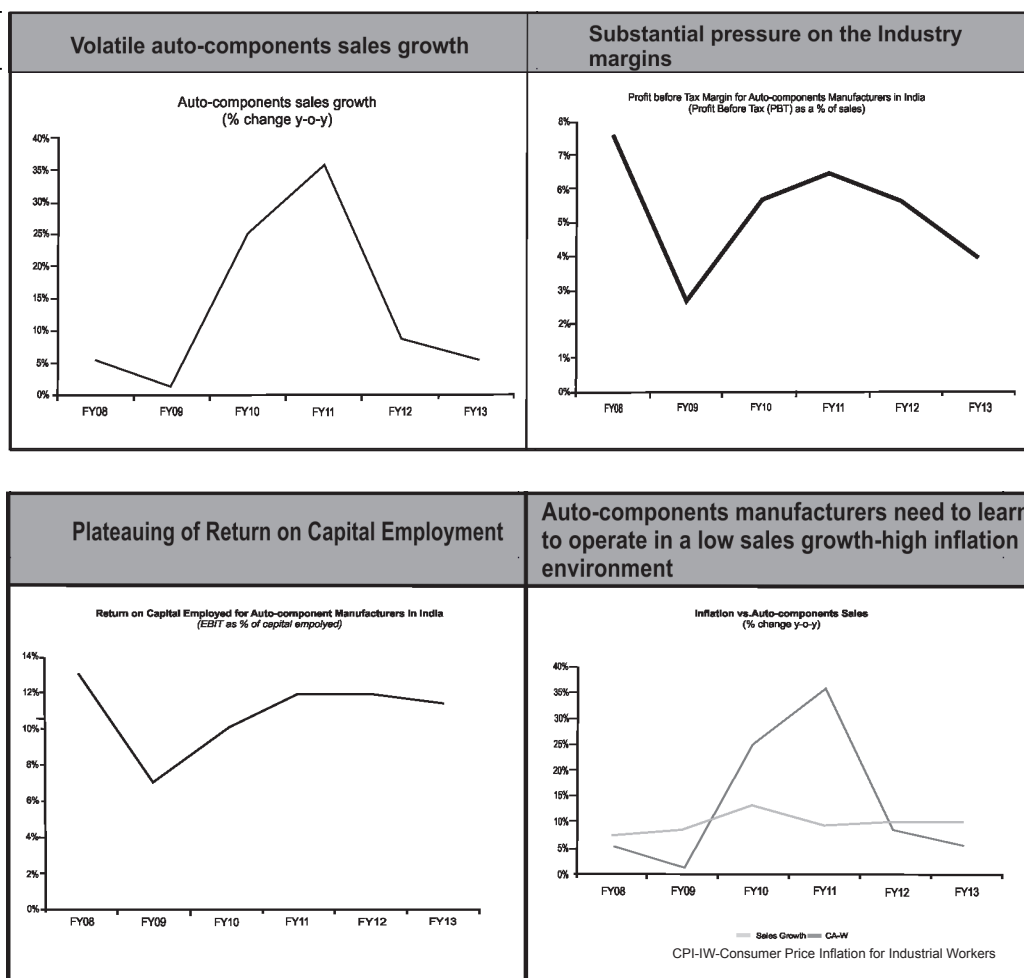
- ❖ *Volatility: E.g. intense price and exchange rate variation*
- ❖ *Uncertainty: E.g. unpredictable future growth*
- ❖ *Complexity: E.g. fast changing consumer tastes and preferences*
- ❖ *Ambiguity: E.g. lack of clear policy guidance*

India is no longer insulated from the VUCA environment. Key operating and profit indicators of auto-component manufacturers are coming under increased pressure as they continue to operate in a VUCA environment.



<sup>9</sup> ACMA-Accenture Study Report

# Lumax Auto Technologies Limited



## OEM - Component manufacturers expectations from each other in the current environment Auto Component Makers Face

OEMs Expectations from Auto-Component Manufacturers		Auto-Component Manufacturers' Expectations from OEMs
Price cut	↔	Collaborative cost-down
Flexibility in operations	↔	Accurate and timely demand estimates
Design/technology capability	↔	Resource sharing
Develop human resources	↔	Mentoring support
Better quality products	↔	Support with Tier 2 and Tier 3 development

To survive and thrive in such challenging times, and grow in an environment characterized by permanent volatility, Indian auto-component companies will need to transform themselves into High Performance Businesses (HPBs).

## Building blocks for High Performance Business

### MARKET FOCUS AND POSITION



Where and how to compete

### DISTINCTIVE CAPABILITIES



What 'hard to replicate' capabilities needed for competitive advantage

### PERFORMANCE CULTURE / ANATOMY

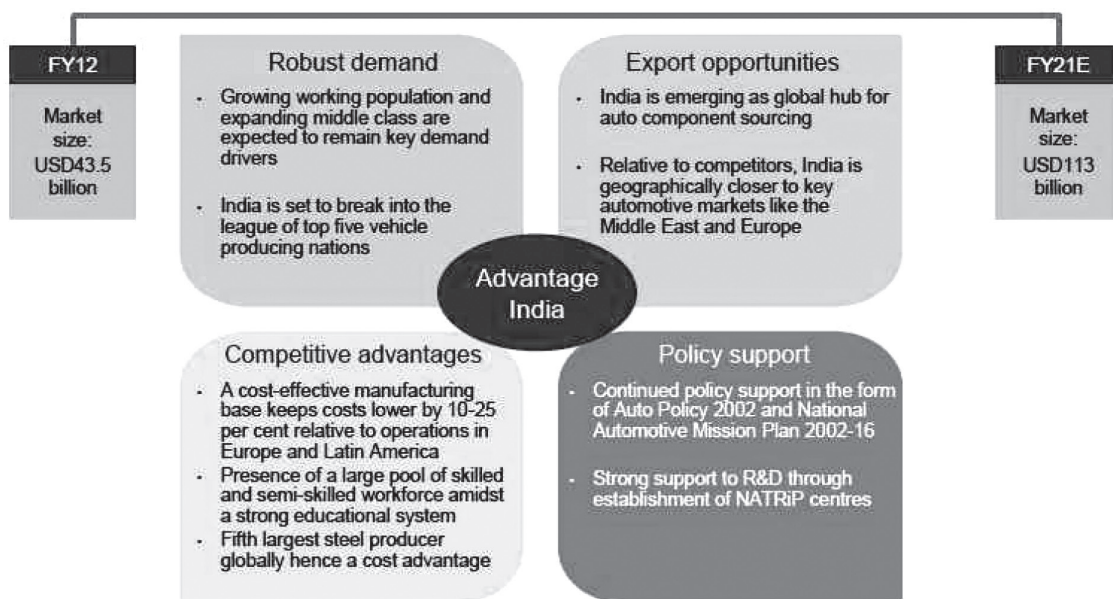


What softer aspects of leadership and culture are needed

The rapidly globalising world is opening new dimensions for the transportation industry, generating need for more efficient, safe and reliable modes of transportation. The cars will become 'smart devices on wheels', so much so that the car will become an extension of smartphone or vice versa. Today, several companies – including Google and Apple – are working on connected vehicles. By 2020, the industry estimates that nearly 90% of vehicles on the road will be wired, while the connected car market will hit US\$ 600 billion – making it the single largest market for connected devices and services.<sup>10</sup>

## b) OPPORTUNITIES & THREATS

### 1. Advantage India



Notes: NATRiP – National Automotive Testing and R&D Infrastructure Project; FY – Indian Financial Year (April to March); FY21E – Estimated figure for the financial year 2021; Estimates are from Automotive Component Manufacturers Association of India (ACMA); R&D – Research and Development

<sup>10</sup> IBEF Report

## 2. High growth expected in motor vehicle penetration in India - Motor Vehicle Penetration per 1,000 people

Country	2004	2010	2030	Average Annual Growth Rate (2004-2030)
India	13	18	110	8.6%
Indonesia	36	60	166	6.1%
Thailand	127	157	592	6.1%
Malaysia	271	361	677	3.6%
Mexico	200	275	491	3.5%
Brazil	171	209	377	3.1%

## 3. Connected Cars

Connected cars and infotainment are the future. Auto manufacturers are increasingly focusing on connected cars to significantly advance the driving experience of drivers. A connected vehicle could also have Predictive Diagnostic Tools to check vehicle's health and accordingly warn the driver in case there are any issues with the vehicle, eliminating any unexpected breakdowns. With additional features like parking assistance, driver warning systems, weather and traffic reports, and music streaming, connected cars promise to make driving more safe, convenient and enjoyable.

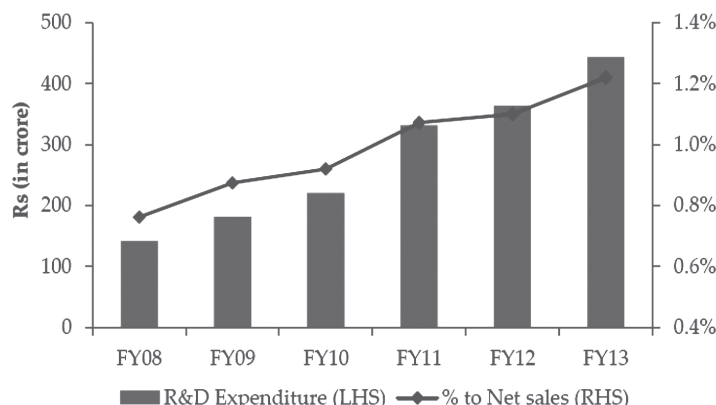
## 4. Going Green

Indian Government is on a serious mission to go green. Rising fuels costs and pollution levels are some of the reasons for this endeavor. In fact, the India National Electric Mobility Mission Plan 2020 envisages that by 2020, there will be 5-7 million electric vehicles (EVs) on the roads. There has also been a conscious shift by auto manufacturers to move towards energy efficient vehicles and hybrid/ electric vehicles.

## 5. Increased investments towards technology would benefit component suppliers to reap the benefit of indigenization drive among global OEMs

R&D and technical knowhow expenditure of the major players although miniscule (i.e. less than 2% of net sales) have been gradually increasing. As imports form substantial portion of inputs in automobile manufacturing, uncertainties arising out of sharp currency fluctuation are adding to the woes of OEMs. Hence, in order to curtail the burden of growing import bill almost all global OEMs are resorting to increased local sourcing. Indian auto component manufacturers offer advantages like low-cost and adequate production capacity and ability to absorb advance technological changes. Further, cost cutting drive amongst all major OEMs across the globe has led substantial rise in component sourcing from low cost destinations like India during last 5-6 years. This presents a significant growth opportunity for the domestic manufacturers to become a part of the supply chain of global OEMs.

Trend in R&D expenditure for major auto component manufacturers



**6. OEM demand to remain subdued in short term, however, exports and replacement demand would continue to grow**

OEM demand constitutes around 62% of total auto component turnover. This segment witnessed a strong growth of around 30% in FY11, on the back of robust automobile sales. However, slowdown in the growth levels in automobile sales also led to moderation in OEM demand to around 15% in FY12. Since FY13, OEM demand plunge even further as it dropped by around 8%. As the economic concerns are expected to fade away in the medium term, vehicle demand will revive gradually, providing support to OEM segment demand.

Huge pile up of vehicles owing to strong demand scenario during last one decade has fuelled demand from the replacement market during last 3-4 years. During FY08-FY13 period replacement demand has increased at a CAGR of around 18%. Even in FY13, replacement market has clocked growth of around 8% yoy. It is expected that replacement demand would continue to remain healthy and auto component exports would continue to remain strong on the back of cost effectiveness of Indian auto component suppliers.<sup>11</sup>

**Issues and Challenges**

The growth prospects for the Indian auto components industry are bright. However, to continue to report healthy growth, the industry has to overcome certain challenges facing them. The major challenges facing the industry that are acting as bottlenecks in exploiting the full market potential include :

- Low capital base of players in the industry.
- Limited generation of surplus funds for re-investment due to tight working capital cycle.
- Lack of awareness of business opportunities.
- Lack of experience to international environment.
- Limited geographical diversity of markets.
- Obsolete technology.
- Poor infrastructure facilities.
- Volatile factors of production, mainly due to frequent fluctuations & instability in the prices of commodities & raw materials such as steel, aluminium, polymers etc.
- Power cost in India is amongst the highest when compared with the other competing countries globally.
- Product substitutes due to emergence of new technologies.
- Increasing need for technology upgradation/ innovation to compete and survive in the global market.
- High level of dependence on traders and agents to perform business in overseas markets that threatens their competitiveness in the global market.
- Less than five domestic players with revenues more than US \$ 250 million; the industry has highly fragmented market.
- High interest rates in India as compared to other competing countries.
- Direct and indirect taxes burden are relatively higher than the tax rates followed in other competing countries.<sup>12</sup>
- Non-availability of skilled man power and increasing IR and HR issues.

**c) PRODUCT WISE PERFORMANCE**

The Company is engaged only in one segment of products viz. manufacture of Auto Components. The Company continued to perform well during the year as shown below:

S.No.	Products	Turnover (Rs. in Million)
1.	Head Lamp	1,148.45
2.	Tail Lamp	281.65
3.	Frame Chassis	759.56
4.	Adjustor Motor	469.31
5.	Other	2,107.13
	<b>Total</b>	<b>4,766.10</b>

<sup>11</sup> CARE report on Indian Auto Component Industry

<sup>12</sup> Dun and Bradstreet Auto component Industry Overview.

## d) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Based on the nature of business and size of operations, the Company's internal control system has been designed to provide for:

- Accurate recording of transactions with Internal Checks and prompt reporting.
- Adherence to applicable Accounting Standards and Policies.
- Review of Capital Investments and Long Term Business Plans.
- Periodic review meetings to guide optimum utilization of resources.
- Compliance with applicable statutes, policies, listing requirements and management policies and procedures.
- Effective use of resources and safeguarding of Assets.

The Company has appointed Independent firm of Internal Auditors who regularly conduct Audit of all the functional areas and is responsible to examine the adequacy and the compliance with policies and plans of the Company. Continuous audit and verification of the systems enables the various business groups to plug any shortcomings sooner rather than later. The summary of the Internal Audit observations is submitted to Audit Committee. The status of implementation of the recommendations is reviewed by the Committee on a regular basis and concerns, if any, are reported to the Board.

In addition to the above, the Company has successfully completed implementation of ERP System – System Analysis & Processing (SAP) during the year under review and the same has been operational since April 01, 2013. Now all the operations of the Company are inter-connected and the SAP-ERP has re-positioned your Company to meet vibrant customer expectations in a global competitive environment.

## e) RISK AND CONCERN

The Company is exposed to external and internal risks associated with the business. The operations of the Company are directly dependent on the Automobile manufacturer's (OEMs) growth and business plans. General economic conditions impact the automotive industry, and in turn, the operations as well. To counter these risks, your company continues to broaden the product portfolio, increase customer profile and geographic reach and also entry into After Market Segment.

The Company is exposed to strong competitive pressures both domestic and overseas. Your company's established reputation, close customer relationships, ability to provide higher level of engineering, design support and relentless drive for improvement gives it a competitive edge. The Company is also exposed to financial risk from changes in interest rates, foreign exchange rates and commodity prices.

## f) DISCUSSION ON FINANCIAL PERFORMANCE WITH REFERENCE TO OPERATIONAL PERFORMANCE

### REVENUE

Your company's business is directly dependent on the Original Equipment Manufacturer(s) of Automobiles (OEM's) and After Sales Market. Your Company has achieved a Net Sales of Rs. 4,766.10 Million for the year ended March 31, 2014 as against Rs. 4,328.52 Million in the previous year, registering a growth of 10.11% over the previous year.

### PROFITS

Your Company has recorded a Profit before Tax of Rs. 225.00 Million for the year ended March 31, 2014 as against Rs. 327.13 Million in the corresponding previous year.

### DIVIDEND

Keeping in view of the philosophy of the Company to reward its shareholders and to continue the tradition of recommending dividend, your Directors are pleased to recommend a Dividend of 60% (Rs. 6/- per Equity Share) for the Financial Year 2013-14 (Rs. 6/- per Equity share in the previous year).

## g) HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The company believes that the company's growth and future success depend in large part on the skills of the company's workforce, including executives and officers, as well as the designers and engineers.

Your Company has a policy of enhancing the individual's growth potential within the framework of corporate goals. Therefore the employees of your Company have always been the most valuable resource. Your Company continues to develop the skill and knowledge of its employees from time to time so as to meet the technological and other changes in the auto component sector. Further, the improvement activities through Kaizen, Quality Circles, Total Productivity Maintenance, Total Quality Management, 6 sigma, 5-S, 7-W processes are being done throughout the Company to enhance the productivity and efficiency of the employees.

The Directors acknowledge and appreciate the contribution of all employees towards the performance of the Company. During the year under review the Company maintained cordial relationship with all employees.

During the year under review the Company employed 793 numbers of employees.

### CAUTIONARY STATEMENT

*The above mentioned statements are only "forward looking statements" based on certain assumptions/expectations. The Company's actual performance could differ materially from those expressed/projected depending upon changes in various factors. The Company does not assume any responsibility to any change(s) in "forward looking statements", on the basis of subsequent development, information or events etc.*

## ANNEXURE - B

Information as per Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988, and forming part of Directors' Report for the year ended March 31, 2014

### A. CONSERVATION OF ENERGY

Though the Company does not come under the category of power intensive unit, adequate measures have been taken for energy conservation and thereby to reduce energy cost.

#### (a) Energy Conservation Measures taken and their impact.

1. In PCNTDA plant UPS Bank cooling fans were converted with auto timers to avoid excess & continuous running, which resulted in savings of approximately 18% of Energy cost. Also the Company has installed Auto shutoff of the Air-conditioners, which resulted in savings of approximately 15% of Energy cost.
2. In Chakan plant, the Company has installed auto sensors at Office area for Lights & Fan Auto ON-OFF, which will save approximately 30% electricity consumption.

#### (b) Additional Investments and Proposals being implemented for reduction of consumption of Energy.

At PCNTDA plant, the Company is proposing to install Airline shutoff valve, which will result in approximately 25% of energy savings. The Co2 Welding machine is also proposed to be installed with sensors to enable it to be Auto Off during idle time, which will reduce energy cost approximately by 12%.

As Chakan plant is engaged in lighting activity, which requires energy utilization on a large scale, Energy Audit is scheduled to be implemented in May, 2014 which is expected to result in adoption of new cost saving measures, which will save approximately 10% energy cost.

The Company is proposing to install Variable Frequency Drive on machine at A-8, K-76 units in Aurangabad and Bangalore unit, which will save energy consumption upto 5%.

The Company is proposing to rearrange the compressor utilisation layout at A-8 and K-76 units in Aurangabad which will save energy consumption upto 4%.

#### (c) Impact of measures at (a) and (b) for reduction of energy consumption and consequent impact on the cost of production of Goods.

It is difficult to quantify the impact of individual energy reduction measures on the Cost of Production of Goods. The above measures of energy reduction will reduce overall cost of energy.

#### (d) Total Energy Consumption and Energy Consumption per Unit of production.

Being not applicable to Auto Components Sector, the Form A is not furnished.

### B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT markedly

The company does not have any imported technology and hence the details required to be given for the imported technology are not applicable.

As a trend in the Auto Industries is changing from import in technology to provide and develop local competency, the Company has taken the initiatives to improve local technical capabilities.

#### RESEARCH & DEVELOPMENT

##### a) Specific Areas in which R & D carried out by the Company

- Developed 3 Wheeler Blinker (REQP) which is under validation for both process and product.

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

- \* Reinforced knowledge and Technology involving New Technology & Diversification from Two to Four Wheeler Segments.
- \* Robotic Assembly Process benefits in the improved accuracy and quality, also, reduction in manpower cost. It also improved the plant efficiency.

##### c) Future Plan of Action

- \* To upgrade our existing design and development infrastructure.
- \* To start in-house designing of new generation automotive lamps for Automotive OEMs (located in Pune region).

# Lumax Auto Technologies Limited

## d) Expenditure on Research & Development

(Amount in Million)

(i)	Capital	NIL
(ii)	Recurring	2.97
	<b>Total</b>	<b>2.97</b>
(iii)	Total R & D Expenditure as a percentage of Total Turnover	0.06

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO

### (a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans :

Your Company has been continuously striving for opportunities for growth in export business. During the year under review the following export development and promotion measures were taken:

1. The Company has developed 9 new products for export market with annual business volume of USD 100,000 and continued exports to its existing customers in various countries.
2. The Company has added customers in 2 new countries to its portfolio and started exporting various products to these customers.
3. The Company continues to target new customers and products to increase the Exports, with Indian vehicle oriented countries as its main focus area.

### (b) Total Foreign Exchange used and earned

This information is given in Notes to financial statements at Sr.No.34 to 36.

## CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India (SEBI) regulates Corporate Governance Practices of Companies Listed on the Indian Stock Exchanges. These regulations are notified under Clause 49 of the Listing Agreement of all the Stock Exchanges. This clause specifies the standards that Indian Companies have to Comply and the disclosures that they have to make with regards to Corporate Governance. Your Company has established systems and procedures to comply with the amended provisions of the Code of Corporate Governance and is complying with the same in its letter and spirit.

### 1. COMPANY'S PHILOSOPHY

Corporate Governance is about commitment to values and ethical business conduct. It is a set of laws, regulations, processes and customs, affecting a way the company is directed, administered, controlled and managed.

We at Lumax, believe that Good Corporate Governance is essential to achieve long term Corporate Goals, to enhance Shareholders Value and attain highest level of transparency. The essence of Corporate Governance for the company lies in promoting and maintaining integrity, transparency and accountability throughout the organization. Therefore, your Company is committed to achieve the maximum standards of Corporate Governance, Accountability and Equity in all facets of its operations and in all interfaces with shareholders. Further, all of its operations and actions are served with the undefined goal of enhancing customer's satisfaction and shareholder's value over a sustained period of time.

Consequently, the Board of Directors is at the core of our Corporate Governance Practice, which administers how the management should serve and protect the long term interest of all the customer and hence the stakeholders of the Company.

### 2. BOARD OF DIRECTORS

The policy of the company is to have an appropriate mix of Executive and Non Executive Directors to maintain the independence of the Board, and to separate the Board functions of Management and Governance. The Board consists of Seven Directors comprising of Two Executive Directors and Five Non-Executive Directors out of which four are Independent Directors. The composition of the Board is in conformity with the requirements of Clause 49 of the Listing Agreement and the details of Directors are as follows:

S. No	Name of the Director	Category of Directorship	No. of Board Meetings attended	No. of Directorships in other Public Companies	No. of Committee positions held in other Public Companies <sup>1</sup>		Last AGM attended	Relationship interse
					Chairman	Member		
1	Mr. D.K. Jain	Executive Chairman	4	3	-	1	Yes	Related as Father to Mr. Deepak Jain and Mr. Anmol Jain
2	Mr. Deepak Jain	Non-Executive Director	2	5	-	2	No	Related as Son to Mr. D.K Jain and as Brother to Mr. Anmol Jain
3	Mr. Anmol Jain	Managing Director	5	3	-	-	No	Related as Son to Mr. D.K Jain and as Brother to Mr. Deepak Jain
4	Mr. Sandeep Dinodia	Non-Executive Independent Director	3	3	3	1	Yes	Not related to any Director.
5	Mr. Dhiraj Dhar Gupta	Non-Executive Independent Director	5	5	1	1	No	Not related to any Director.
6	Mr. Roop Salotra	Non-Executive Independent Director	2	1	-	-	No	Not related to any Director.
7	Mr. Milap Jain	Non-Executive Independent Director	1	-	-	-	No	Not related to any Director.

<sup>1</sup>Committee here means "Audit Committee" and "Shareholders / Investors Grievance & Share Transfer Committee" and excludes the committee positions held in Lumax Auto Technologies Ltd.

# Lumax Auto Technologies Limited

## Directors who relinquished office during the year ended March 31, 2014.

S. No.	Name of the Directors	Category of Directors	No. of Board Meetings attended	No. of other Directorships	Committee Memberships	Committee Chairmanship	Last AGM Attended
1	Mrs. Usha Jain	Executive Director (Managing Director)	1	Nil	Nil	Nil	No
2	Mr. Manmohan Sachdev	Non-Executive Independent Director	2	Nil	Nil	Nil	No
3	Mr. A.V. Alexander	Non-Executive Independent Director	2	Nil	Nil	Nil	No

**Note :** Mr. D.K. Jain, Non-Executive Chairman has been appointed as Executive Chairman, Mr. Anmol Jain, Non-Executive Director has been appointed as Managing Director w.e.f. August 07, 2013 and Mr. Deepak Jain has been appointed as Additional Director on the Board of the Company w.e.f. August 23, 2013. Mrs. Usha Jain, Managing Director has resigned from the Board of the Company w.e.f. August 07, 2013.

Mr. Roop Salotra and Mr. Milap Jain have been appointed as Additional Directors, designated as Independent Directors on the Board of the Company w.e.f. October 29, 2013 and February 12, 2014 respectively. Mr. Manmohan Sachdev and Mr. A.V. Alexander, Independent Directors have resigned from the Board of the Company w.e.f. October 29, 2013.

### a) Board Meetings and Attendance

The Board of Directors met Five times during the financial year ended March 31, 2014. The intervening period between two Board Meetings was well within the maximum time gap of 4 months, as prescribed under Code of Corporate Governance. The details of Board Meetings held during the year are as under:

S. No	Date of Board Meeting	Board's Strength	No. of Directors Present
1	28.05.2013	7	6
2	07.08.2013	7	6
3	23.08.2013	6	3
4	29.10.2013	6	5
5	12.02.2014	7	7

### b) Board's Processes

It is always been the Company's policy and practice that apart from matter requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture / group companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations etc, as and when applicable, are placed before the Board.

The minimum information required as per Code of Corporate Governance, is being made available to the Board as and when applicable. The Board meets at least once a Quarter. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The items placed at the Meeting of the Board include the following:-

- General Notices of Interest of Directors.
- Minutes of Meetings of Audit Committee and other Committees of the Board, as also resolutions passed by circulation.
- Annual Operating Plans of Businesses, Capital Budgets and any updates.
- Quarterly results for the Company and its operating divisions or business segments.
- Dividend declaration.
- Sale of material nature, of Investments, Subsidiaries, Assets, which is not in normal course of business, if any.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Internal Audit findings and Statutory Auditor Reports (through the Audit Committee).
- Details of any Joint Venture, Acquisitions of Companies or Collaboration Agreement, if any.
- Non-Compliance of any Regulatory, Statutory or Listing requirements and shareholders service such as Non-Payment of Dividend, delay in share transfer, if any, etc.

- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or Serious Accidents, Dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order, which may have passed strictures on conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like implementation of Voluntary Retirement Scheme etc.
- Transactions that involve substantial payment towards Goodwill, Brand Equity or Intellectual Property.
- Brief on statutory developments, changes in Government policies etc. with impact thereof, Directors' responsibilities arising out of any such developments.
- The Information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.

All the items in agenda are accompanied by notes giving comprehensive information on related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and relevant notes are given to each Director separately at the Board Meeting to enable the Board to take informed decisions.

The minutes of the Meeting of the Board are circulated to all Directors and confirmed at the subsequent Meeting. The minutes of the Audit Committee, Remuneration Committee and Shareholders/ Investors Grievance and Shares Transfer Committee are also individually given to the Members of the Committee and thereafter placed before the Board at the subsequent Board Meeting for taking on record.

### 3. COMMITTEES OF THE BOARD

Currently, the Board has three Committees:

- Audit Committee.
- Remuneration Committee.
- Shareholders/ Investors Grievance and Share Transfer Committee.

The brief details of the various committees of the Board and their constitution and functions are as under:

#### A. Audit Committee

##### a) Composition and Attendance

The Audit Committee comprises of three Non-Executive Independent Directors. The Composition of the Audit Committee during the Financial Year April 01, 2013 to March 31, 2014 was as follows:

S. No.	Name	Status	Category of Membership
1	Mr. Sandeep Dinodia	Chairman	Non-Executive Independent Director
2	Mr. Roop Salotra*	Member	Non-Executive Independent Director
3	Mr. Dhiraj Dhar Gupta*	Member	Non-Executive Independent Director

\*The Audit Committee was reconstituted during the year by the Board of Directors in its meeting held on October 29, 2013 by appointing Mr. Roop Salotra & Mr. Dhiraj Dhar Gupta as members of the Committee in place of Mr. Manmohan Sachdev and Mr. A.V. Alexander.

The Audit Committee had met four times during the Financial Year April 1, 2013 to March 31, 2014. The attendance of the Meetings are as under:

S. No.	Name	No. of Meetings attended
1	Mr. Sandeep Dinodia	4
2	Mr. Manmohan Sachdev	2
3	Mr. A.V. Alexander	3
4	Mr. Roop Salotra	1
5	Mr. Dhiraj Dhar Gupta	1

Statutory Auditors, Internal Auditors and Finance Head are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement. The Audit Committee of the Company, inter-alia, provides assurance to the Board on the existence and adequacy of an effective Internal Control systems that ensures:

- \* Efficiency and effectiveness of operations.
- \* Safeguarding of assets and adequacy of provisions for all liabilities.
- \* Reliability of all financial and other management information and adequacy of disclosures.
- \* Compliance with all relevant statutes.

The Committee has powers as envisaged under Clause 49(II) of the Listing Agreement and as specified by the Board of Directors of the Company.

## **b) Powers of Audit Committee**

Audit Committee shall have following Powers:

- 1) To investigate any activity within its terms of reference.
- 2) To seek any information from any employee.
- 3) To obtain outside legal or other professional advice.
- 4) To secure attendance of outsiders with relevant expertise, if considered necessary

## **c) Role of Audit Committee**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with management, the annual financial statements before submission to the Board for approval with particular reference to:
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with Listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in draft Audit Report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, if any, 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.
7. Reviewing with the management, performance of the Statutory and Internal Auditors, adequacy of the Internal Control systems.
8. 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.
9. Discussion with Internal Auditors on any significant findings and follow-up thereon.
10. 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.

11. 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.
12. 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.
13. To Review the functioning of Whistle Blower mechanism, in case the same is existing.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**d) Review of information by Audit Committee**

The Audit Committee shall mandatorily review the following information:-

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters/ letters of internal control weakness if any issued by the Statutory Auditors;
4. Internal Audit Reports relating to internal control weakness; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditors shall be subject to review by the Audit Committee.

**e) Any other matter with the specific permission of the Board.**

**f) Subsidiary Company**

Lumax DK Auto Industries Limited (LDK) is a material non-listed wholly owned Indian subsidiary Company in terms of Clause 49 (III) of the listing agreement. Accordingly, Mr. Dhiraj Dhar Gupta, Director has been appointed on the Board of LDK.

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

- a) Financial statements, in particular the investments made by LDK are reviewed quarterly by the Audit Committee of the Company.
- b) Minutes of the meetings of the Board of Directors of LDK are placed before the Company's Board regularly.
- c) A statement containing all the significant transactions and arrangements entered into by the LDK is placed before the Company's Board / Audit Committee.

**B. Remuneration Committee**

The Remuneration Committee consists of Independent Non-Executive Directors to review and recommend payment of annual salaries, commission, service agreements and other employment conditions of the Executive Directors of the Company. The committee fixes the remuneration after taking into consideration remuneration practices followed by Companies of similar size and standing in the Industry.

The Remuneration Committee comprises of Three Directors as its members. All the members of the Committee are Non-Executive Independent Director and have sound knowledge of management practices. The Chairman of the Committee, Mr. Sandeep Dinodia is a Non-Executive Independent Director nominated by the Board. The power and role of the Remuneration Committee is as per guidelines set out in the Listing Agreement.

The constitution of the Remuneration Committee during the Financial Year April 01, 2013 to March 31, 2014 was as follows:

S. No.	Name	Status	Category of Membership
1	Mr. Sandeep Dinodia	Chairman	Non-Executive Independent Director
2	Mr. Dhiraj Dhar Gupta	Member	Non-Executive Independent Director
3	Mr. Roop Salotra*	Member	Non-Executive Independent Director

\* The Remuneration Committee was reconstituted during the year by the Board of Directors in its meeting held on October 29, 2013 by appointing Mr. Roop Salotra as member of the Committee in place of Mr. Manmohan Sachdev and Mr. A.V. Alexander.

# Lumax Auto Technologies Limited

The Remuneration Committee had met twice during the Financial year 2013-14 to consider and recommend payment of commission to Non Executive Directors for the F.Y. 2012-2013 and to consider the appointment of Mr. D.K. Jain and Mr. Anmol Jain as Executive Chairman and Managing Director respectively and fixation of remuneration. The attendance of the Meetings are as under:

S. No.	Name of Directors	No. of Meetings attended
1	Mr. Sandeep Dinodia	2
2	Mr. Dhiraj Dhar Gupta	2
3	Mr. Manmohan Sachdev	1
4	Mr. A.V. Alexander	2
5	Mr. Roop Salotra	0

**a) Remuneration Policy:**

The Remuneration Committee fixes the remuneration of the Executive Directors after considering various factors such as qualification, experience, expertise, and the prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises of Basic Salary, Commission, Perquisites and Allowances, contribution to Provident Fund etc.

The remuneration policy for Executive Directors is directed towards rewarding performance, based on review of achievements of Executive Directors. The Non-Executive Independent Directors have not drawn any remuneration from the Company, except sitting fees for attending meetings of the Board and Committees.

The remuneration of the Non-Executive Directors (NEDs) of the Company is decided by the Board of Directors. The NEDs are paid remuneration by way of Commission. In terms of the approval of the members at the 30th Annual General Meeting of the Company held on August 17, 2011, commission is paid at a rate not exceeding 1% of the net profits of the Company calculated in accordance with the provisions of Sections 198, 349 and 350 of the Companies Act, 1956 for a period of 5 years w.e.f. April 1, 2011. The distribution of the commission amongst the NEDs is determined by the Board and is broadly based on attendance, contribution at the Board Meetings and various Committee meetings as well as time spent on operational matters.

The Company did not have any pecuniary relationship or transactions with the Non Executive Independent Directors during the Financial year 2013-14.

**b) The Details of Remuneration paid to Whole Time Directors during the financial year ended March 31, 2014 are as follows:**

(Amount in Rs.)

S.No.	Name of Director	Salary	Perquisites & Allowances	Commission	Total
1	Mr. D.K. Jain	6,955,548	2,036,676	886,500	9,878,724
2	Mr. Anmol Jain	2,402,826	404,756	3,737,750	6,545,632
3	Mrs. Usha Jain	910,336	2,806,819	-	3,717,155

Mr. D.K. Jain and Mr. Anmol Jain have been appointed as Executive Chairman and Managing Director respectively w.e.f. August 7, 2013. Mrs. Usha Jain resigned from the position of Managing Director as well as Director of the Company w.e.f August 7, 2013.

**c) Details of Commission paid to Non Executive Directors during the financial year ended March 31, 2014 are as under:**

(Amount in Rs.)

Name of Director	Commission
Mr. Deepak Jain	2,450,750

d) **The number of shares held by Non-Executive Directors in the Company is mentioned below.**

S. No	Name of Directors	No. of shares held as on March 31, 2014	Percentage
1	Mr. Sandeep Dinodia	Nil	Nil
2	Mr. Deepak Jain	914,652	6.71
3	Mr. Roop Salotra	Nil	Nil
4	Mr. Milap Jain	Nil	Nil
5	Mr. Dhiraj Dhar Gupta	Nil	Nil

There is no Stock Option Scheme of the Company for any Director and there is no Security / Investment of the Company pending for conversion into Equity Shares.

**C. Shareholders / Investors Grievance & Share Transfer Committee**

The Company has a Shareholders / Investors Grievance & Share Transfer Committee to oversee Investors Grievances and Redressal mechanism and recommends measures to improve the level of Investors' services and to look into the matters pertaining to share, transfers, duplicate share certificates and related matters. The Committee comprises of two Non Executive Independent Directors and one Executive Director. During the year four meetings of Committee were held. The following is the attendance record at the Committee during the year.

S. No.	Name of Directors	Status	Category of Membership	No. of Meetings attended
1	Mr. Dhiraj Dhar Gupta	Chairman	Non-Executive Independent Director	1
2	Mr. D. K. Jain	Member	Executive Director	4
3	Mr. Sandeep Dinodia	Member	Non- Executive Independent Director	4
4	Mr. Manmohan Sachdev	Member	Non- Executive Independent Director	2

\*The Shareholders / Investors Grievance & Share Transfer Committee was reconstituted during the year by the Board of Directors in its meeting held on August 07, 2013 by appointing Mr. Dhiraj Dhar Gupta as member of the Committee. Further, Mr. Dhiraj Dhar Gupta was also designated as Chairman of the Committee as Mr. D.K. Jain, erstwhile Chairman was appointed as Executive Chairman of the Board.

The functioning and terms of reference of the Committee are, as prescribed under the Listing Agreement entered with the Stock Exchanges, with particular reference to transfer, dematerialization and complaints of Shareholders etc.

The Quorum for the functioning of the Committee is any two Members present. The Share Transfer Committee meets normally once in a Quarter. The total complaints received and replied to the shareholders during the year ended March 31, 2014 were 10. There were no complaints which were not resolved to the satisfaction of the shareholders and pending during the year.

**4. COMPLIANCE OFFICER OF THE COMPANY**

Mr. Pratik P. Dhuri, 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.

**5. GENERAL BODY MEETING**

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

Financial Year	Date	Time	Location
2010-11	17-08-2011	3.00 P.M.	Plot No.70,Sector 10,PCNTDA, Bhosari, Pune, Maharashtra - 411026
2011-12	24-08-2012	3.00 P.M.	Spree Shivai Hotel, Celebrate Hall, 1st Floor, H-Block, A-70, MIDC, Pimpri, Pune-411018
2012-13	23-08-2013	3.00 P.M.	Spree Shivai Hotel, Celebrate Hall, 1st Floor, H-Block, A-70, MIDC, Pimpri, Pune-411018

Special Resolutions passed in previous three General Meetings

- I AGM held on August 17, 2011
  - a) Payment of Commission to Non Executive Director(s)
- II AGM held on August 24, 2012
  - a) Re-appointment of Mrs. Usha Jain as Managing Director of the Company.
- III AGM held on August 23, 2013
 

NIL
- IV As informed in the earlier Annual Report, two Special Resolutions were passed by the Shareholders through Postal Ballot on May 16, 2013 as follows :
  1. Waiver of recovery of excess remuneration paid to Mrs. Usha Jain, Managing Director during F.Y. 2012-2013 under section 309 (5B) of the Companies Act, 1956; and
  2. Payment of remuneration in excess of the ceiling limit of 5% to the Managing Director during F.Y. 2013-14.

However, consequent upon the request received from Mrs. Usha Jain, erstwhile Managing Director, both the above resolutions were dropped by the Board of Directors without taking any further action in this regard.

The above decision of the Board was informed to the Stock Exchanges on May 28, 2013.

## 6. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct on annual basis. The Annual Report contains a declaration to this effect signed by the Managing Director. The code of conduct has also been posted on Company's website: [www.lumaxautotech.com](http://www.lumaxautotech.com)

## 7. DISCLOSURES

- a. During 2013-14, other than the transactions entered in the normal course of business and reported as the related party transactions in the annual accounts, the Company had not entered any materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters/ Directors/Senior Management or Relatives etc., which could have a potential conflict with the interest of Company at large.
- b. The Audit Committee is briefed with all related party transaction undertaken by the Company.
- c. The Senior Management has made disclosures to Board that they did not have personal interest in any material financial and commercial transactions that could result in a conflict with the interest of the Company at large.
- d. The Company has a Code of Conduct for its Board and Senior Management (as per Corporate Governance Code) and the same is available at the Company's website. The Company has obtained a compliance certificate from all concerned.
- e. There has been no non-compliance penalties/strictures imposed on the Company by Stock Exchange(s) or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.
- f. The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India, and there has been no deviation in the accounting treatment during the year, except as provided in this report.
- g. The Company do not have any Whistle Blower Policy. However the company promotes a favorable environment for employees to have an open access to the respective functional heads, Executive Directors and Managing Director, so as to ensure ethical and fair conduct of the business of the Company.
- h. The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement.
- i. The Company has formulated a Code of Conduct for prevention of Insider Trading in the Shares of the Company in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992.

## 8. MEANS OF COMMUNICATION

The Annual / Quarterly results of the Company are published in leading and widely circulated English dailies viz. (1) Financial Express – All Editions (English) (2) Loksatta, (Pune, Edition) (3) Mint-All editions (English).

### NSE Electronic Application System (NEAPS) :

The NEAPS is a web based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are filed electronically on NEAPS.

**BSE Corporate Compliance & Listing Centre ( the 'Listing Centre'):**

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

The Company's financial results are displayed on the Company's website at [www.lumaxautotech.com](http://www.lumaxautotech.com).

Pursuant to Clause 52 of the Listing Agreement, all data related to quarterly as well as annual financial results, shareholding pattern etc. are updated on the Corporate Filing and Dissemination System website [www.corpfiling.co.in](http://www.corpfiling.co.in).

**9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT FORMS PART OF THE DIRECTORS REPORT****10. GENERAL SHAREHOLDERS INFORMATION**

- a) **Annual General Meeting** : The 33rd Annual General Meeting is scheduled as under:  
 Date : July 23, 2014  
 Time : 3.00 P.M  
 Venue : Spree Shivai Hotel, Celebrate Hall, 1st Floor,  
 H- Block, A-70, MIDC, Pimpri, Pune- 411018
- b) **Date of Book Closure** : Thursday, July 17, 2014 to Wednesday, July 23, 2014 (both days inclusive)
- c) **Registered Office** : Lumax Auto Technologies Limited  
 Plot No.70, Sector 10, PCNTDA, Bhosari, Pune – 411026
- d) **Financial Year** : April 01 to March 31.
- e) **For the financial year 2013-14 results were announced on:**

Adoption of Quarterly Results Ended	Date
June 30, 2013	August 07, 2013
September 30, 2013	October 29, 2013
December 31, 2013	February 12, 2014
March 31, 2014 (Audited Annual Accounts)	May 29, 2014

**f) Financial Calendar for 2014-15 (Provisional)**

Adoption of Quarterly Results Ended	Tentative calendar #
June 30, 2014	2nd week of August 2014
September 30, 2014	2nd week of November 2014
December 31, 2014	2nd week of February 2015
March 31, 2015 (Audited Annual Accounts)	4th week of May 2015

# Within 45 days of the end of the Quarter, as per clause 41 of the Listing Agreement.

**g) Dividend & Dividend Payment Date**

A dividend of Rs.6/- per share (60%) has been recommended by the Board of Directors for the Financial Year 2013-14, which is subject to the approval of the Shareholders at the ensuing Annual General Meeting. For Demat shareholders and Physical shareholders who have opted for NECS/ECS, Dividend Amount of Rs.6/- per share will be credited directly to their respective bank accounts through NECS/ECS, wherever such facilities are available, soon after the declaration of dividend in the AGM. For others, Dividend Warrants will be posted by August 13, 2014 (tentative date).

**h) Share Transfer System**

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent. The Company has appointed Bigshare Services Private Limited as the Registrar & Share Transfer Agent. SEBI vide Circular No.CIR/MIRSD/8/2012 Dated July 05, 2012 has reduced the time-line for registering the transfer of shares to 15 days instead of the existing provision of 30 days from the date of lodgment w.e.f. October 01, 2012. To adhere to the aforesaid time-line, our Registrar & Share Transfer Agent has changed the processing cycle to once in a week instead of 15 days. The Share transfers in physical form are approved by the Chairman, Managing Director and Company Secretary on fortnightly basis and the same were approved and ratified by the Shareholders/Investors Grievance & Share Transfer Committee.

# Lumax Auto Technologies Limited

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

Address: Bigshare Services Private Limited  
E-2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai 400 072  
Tel: +91-22-40430200  
Fax: +91-22-2847 5207  
Email: info@bigshareonline.com  
Website: www.bigshareonline.com  
Contact Person: Ms. Shubhangi Waniwadekar

**j) Investors Correspondence**

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

Address : **LUMAX AUTO TECHNOLOGIES LIMITED**  
Plot No. 70, Sector-10, PCNTDA,  
Bhosari, Pune, Maharashtra - 411026  
Tel : 91-20-66304606, 66304617  
Fax : 91-20-66304624  
E-mail: shares@lumaxautotech.com  
Website : www.lumaxautotech.com

**k) Listing on Stock Exchanges**

Stock Exchange	Scrip Code
Bombay Stock Exchange Limited	532796
National Stock Exchange of India Limited	LUMAXTECH

**l) ISIN No: INE872H01019**

Listing Fees for the year 2014-15 has been paid to The Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd.

**m) Outstanding GDR's/ADR's/Warrants or any convertible Instrument, Conversion Date and Likely impact on Equity**

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

**n) Dematerialisation of Shares**

As per notifications issued by the Securities and Exchange Board of India (SEBI), the trading in Company's shares is permitted only in dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**o) Status of Dematerialisation and Liquidity as on March 31, 2014:**

**Dematerialisation:**

The shares of the Company are under compulsory Demat segment and are listed on Bombay Stock Exchange, Mumbai and National Stock Exchange of India Limited, Mumbai. The Company's shares are available for trading in the Depository of both NSDL & CDSL.

Category	No. of Shares
Shares in Demat mode with NSDL	12,868,523
Shares in Demat mode with CDSL	688,804
Shares in Physical mode	74,214
<b>Total</b>	<b>13,631,541</b>

**Liquidity**

The Number of Shares of the Company traded in the Stock Exchange for the financial year 2013-14 is given below:

Particulars	BSE	NSE	TOTAL
No of shares Traded	656,667	969,946	1,626,613
% of total Equity	4.82%	7.11%	11.93%

p) **Shareholding Pattern of the Company as on March 31, 2014**

	Category	No. of shares held	Shareholding (%)
<b>A.</b>	<b>Promoters' holding</b>		
<b>1.</b>	<b>Promoters</b>		
	i Indian Promoters	7,589,146	55.67
	ii Foreign Promoters	-	-
<b>2.</b>	<b>Persons acting in concert</b>	-	-
	<b>SUB – TOTAL (A)</b>	<b>7,589,146</b>	<b>55.67</b>
<b>B.</b>	<b>Non-Promoters Holding</b>		
<b>3.</b>	<b>Institutional Investors</b>		
	i Mutual Funds and UTI	-	-
	ii Banks, Financial Institutions, Insurance Companies, Central/State Govt. Institutions/ Non-Government Institutions.	-	-
	iii FIIs	2,153,862	15.80
	<b>SUB – TOTAL (B3)</b>	<b>2,153,862</b>	<b>15.80</b>
<b>4.</b>	<b>Others:-</b>		
	i Bodies Corporate & Clearing Member	1,460,981	10.72
	ii Indian Public	2,217,700	16.27
	iii NRIs	209,852	1.54
	<b>SUB – TOTAL (B4)</b>	<b>3,888,533</b>	<b>28.53</b>
	<b>SUB – TOTAL (B) [3 + 4]</b>	<b>6,042,395</b>	<b>44.33</b>
	<b>GRAND TOTAL (A+B)</b>	<b>13,631,541</b>	<b>100.00</b>

q) **Distribution of Shareholding as on March 31, 2014**

Range of Shares	No. of Shareholders	% of Shareholders	Amount (Rs.)	% of Shareholding
1 — 5000	4247	87.71	5,002,950	3.67
5001 — 10000	207	4.28	1,690,680	1.24
10001 — 20000	151	3.12	2,363,120	1.73
20001 — 30000	52	1.07	1,322,850	0.97
30001 — 40000	20	0.41	698,380	0.51
40001 — 50000	42	0.87	1,968,430	1.44
50001 — 100000	49	1.01	3,765,740	2.77
100001 — & above	74	1.53	119,503,260	87.67
<b>Total</b>	<b>4842</b>	<b>100.00</b>	<b>136,315,410</b>	<b>100.00</b>

# Lumax Auto Technologies Limited

## r) Stock Market Data during the Financial Year 2013-14

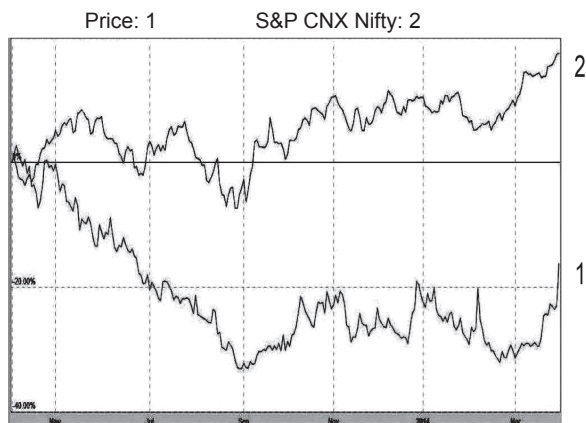
The monthly High and Low Prices of the Shares of the Company Listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) along with the BSE "Sensex" and NSE "Nifty" are as follows.

Month	BSE				NSE			
	Share Price		Sensex		Share Price		S&P CNX Nifty	
	High(Rs.)	Low(Rs.)	High	Low	High(Rs.)	Low(Rs.)	High	Low
April 2013	148.00	124.00	19662.68	18144.22	140.00	124.10	5962.30	5477.20
May 2013	145.95	115.50	20443.62	19451.26	138.95	114.70	6229.45	5910.95
June 2013	125.00	108.00	19860.19	18467.16	126.00	108.30	6011.00	5566.25
July 2013	118.85	101.05	20351.06	19126.82	113.90	102.00	6093.35	5675.75
August 2013	109.00	89.50	19569.20	17448.71	110.00	89.50	5808.50	5118.85
September 2013	100.00	90.00	20739.69	18166.17	103.00	88.40	6142.50	5318.90
October 2013	110.00	94.20	21205.44	19264.72	111.00	94.60	6309.05	5700.95
November 2013	110.00	96.00	21321.53	20137.67	109.00	96.00	6342.95	5972.45
December 2013	124.55	95.15	21483.74	20568.70	131.00	96.15	6415.25	6129.95
January 2014	118.95	92.60	21409.66	20343.78	113.90	95.15	6358.30	6027.25
February 2014	104.95	91.00	21140.51	19963.12	110.00	90.90	6282.70	5933.30
March 2014	109.75	92.75	22467.21	20920.98	116.00	92.50	6730.05	6212.25

## s) The details of the Stock performance vis-à-vis S&P CNX Nifty in graphical manner and monthly closing share price on BSE and NSE from April 2013 to March 2014 is given below:

### Stock Performance vis- a- Vis S&P CNX Nifty

The performance of the Company's Share related to Nifty is given in the charts below:



### Monthly Closing Share Price on BSE & NSE along with Sensex and Nifty Points (April 2013 to March 2014)

Month	BSE (Rs.)	Sensex	NSE (Rs.)	Nifty
April 2013	135.00	19504.18	134.25	5930.20
May 2013	118.95	19760.30	119.35	5985.95
June 2013	108.00	19395.81	111.55	5842.20
July 2013	102.35	19345.70	102.90	5742.00
August 2013	90.00	18619.72	91.05	5471.80
September 2013	97.30	19379.77	95.05	5735.30
October 2013	102.90	21164.52	104.10	6299.15
November 2013	99.70	20791.93	99.80	6176.10
December 2013	110.10	21170.68	107.00	6304.00
January 2014	100.00	20513.85	100.05	6089.50
February 2014	96.00	21120.12	95.00	6276.95
March 2014	108.30	22386.27	113.95	6704.20

## t) Plant Locations of the Company as on March 31, 2014:

The Company has the following manufacturing units:

### S. No. PLANT LOCATIONS

- 1) Plot No. 70, Sector-10, PCNTDA, Bhosari, Pune, Maharashtra
- 2) W-230-E, 'S' Block, M.I.D.C. Bhosari, Pune, Maharashtra
- 3) Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra
- 4) Plot No. 54/8, D-II, Block-2, M.I.D.C. Chinchwad, Pune, Maharashtra
- 5) G-1, Ranjangaon Industrial Area, Tal. Shirur, Pune, Maharashtra
- 6) A-8, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
- 7) K- 76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
- 8) Khasra No 817/73, Mauza - Moginand, Nahan, Sirmour, Himachal Pradesh
- 9) B-85, Mayapuri Industrial Area, Phase-I, New Delhi (Marketing Division)
- 10) Plot no. 165, Sector-5, IMT Manesar, Gurgaon, Haryana
- 11) Sy. No. 334, 366 & 367, Bellur Village, Narsapura Hobli, Kolar, Bangalore, Karnataka

**11. UNCLAIMED SUSPENSE ACCOUNT.**

Pursuant to Clause 5A(II) of the Listing Agreement, the Company has opened a Demat Account named "Lumax Auto Technologies Limited- Unclaimed Suspense Account" with Bigshare Services Private Limited. The details of unclaimed shares of the Company are as under:

S. No	Description	No. of Shareholders	No. of Shares
1	Aggregate No. of shareholders & Shares pending as on 01.04.2013	3	722
2	No. of shareholders who approached for transfer of shares from Demat suspense account during the year	-	-
3	No. of shareholders and shares transferred from Demat suspense account during the year	-	-
4	No. of shareholders and shares outstanding at the end of year in March 31, 2014.	3	722

The members who have not claimed the shares from the above returned undelivered cases are requested to contact the Registrar-Big Share Services Private Limited at the address given above. The voting rights on the 722 shares shall remain frozen till the rightful owner of such shares claims the shares.

**12. Non-Mandatory requirements**

The Company is complying with mandatory requirements and partly complying with the Non-Mandatory requirements such as:

The Company has constituted a Remuneration Committee of Independent & Non-Executive Directors. A detailed note on the Remuneration Committee has already provided in the foregoing parts of the report.

**13. CEO & CFO CERTIFICATE**

The Managing Director, Mr. Anmol Jain and the Head Finance, Mr. Ashish Dubey have furnished the requisite certificate to the Board of Directors pursuant to Clause 49 (V) of the Listing Agreement.

**14. OTHER INFORMATION****Electronic Clearing Service (ECS)/ National Electronic Clearing Service (NECS)**

SEBI had vide its Circular No.DCC/FITTCIR-3/2001 dated October 15, 2001 advised that all Companies should mandatorily use ECS facility, wherever available.

In the absence of ECS facility, companies may use warrants for distributing the dividends and vide its Circular No.D&CC/FITTCIR-04/2001 dated November 13, 2001 had advised companies to mandatorily print the Bank Account details furnished by the Depositories, on the dividend warrants. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors.

As per RBI circular no RBI/2008-2009/509/DPSS (CO) EPPD No 2283/04.01.04/2008-2009 dated June 25, 2009, RBI has introduced National Electronic Clearing System (NECS) which aims at increasing efficiency and simplification of the ECS process. However, members who wish to receive dividend in an account other than the one specified while opening the Depository Account, may notify their DP's about any change in the Bank Account details.

**Nomination Facility**

Shareholders holding Shares in Physical Form and desirous of making a Nomination in respect of their Shareholding in the Company, as permitted under Section 109A of the Companies Act, 1956, are requested to submit to the Company nomination in the prescribed Form 2B for this purpose.



# Lumax Auto Technologies Limited

## CEO & CFO Certification under Clause 41 & 49(V) of the Listing Agreement.

- a. We certify to the Board that we have reviewed Financial Statements and Cash Flow Statement for the year ended March 31, 2014 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 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;
  - (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.

Place : New Delhi  
Date : May 29, 2014

ASHISH DUBEY  
(HEAD FINANCE)

ANMOL JAIN  
(MANAGING DIRECTOR)

## Certificate of Compliance of Code of Conduct by Board of Directors and Senior Management Personnel

I, Anmol Jain, Managing 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 financial year 2013-14.

Place : New Delhi  
Date : May 29, 2014

ANMOL JAIN  
(MANAGING DIRECTOR)

## Auditors' Certificate on Corporate Governance

To  
The Member of  
THE LUMAX AUTO TECHNOLOGIES LIMITED

We have examined the compliance of conditions of Corporate Governance by Lumax Auto Technologies Limited, for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For D.R. Barve & Co.  
Chartered Accountants  
Firm Registration No. 101034W

C A D.R. Barve  
Proprietor  
Membership No.:17661

Place : New Delhi  
Date : May 29, 2014

## Independent Auditors' Report on Accounts

To,  
The Members of  
**Lumax Auto Technologies Limited**

### 1) Report on the Financial Statements

We have audited the accompanying financial statements of Lumax Auto Technologies Limited ("The Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### 2) Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### 3) Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is

sufficient and appropriate to provide a basis for our audit opinion.

### 4) Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### 5) Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
- As required by Section 227(3) of the Act, we report that:
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act; read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
  - Without qualifying our opinion, we draw attention to Note No. 2.3 regarding valuation of inventory of raw material, stores & spares.

During the year, the company has implemented SAP as ERP platform and the valuation of inventories of Raw Material, Stores and spares for the year is done on the basis of moving weighted average method instead of FIFO method applied in the earlier years. Had the company followed the same previous year

method of valuing inventory of raw materials, stores and spares, the value of inventory would have been lower by Rs. 11.43 Lacs and consequently, profit for the year ended 31.03.2014 would have been lower by Rs. 11.43 lacs. Further, previous year figures are not comparable to that extent.

- f. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

**For D. R. Barve & Co.**  
Chartered Accountants  
Firm Registration No. 101034W

**CA. D. R. Barve**  
(Proprietor)  
Membership No.17661

**Place: New Delhi**  
**Date: May 29, 2014**

## Annexure To Independent Auditors' Report

**Referred to in Paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date**

**Re: Lumax Auto Technologies Limited**

- i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) Based on our scrutiny of the records of the Company and the information and explanations received by us, we report that there were sales of fixed assets during the year, but the fixed assets disposed off did not constitute a substantial part of the fixed assets of the Company. Hence, our comments for reporting whether the sale of any substantial part of fixed assets has affected the going concern of the Company are not required.
- ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. Further, for materials lying with third parties certificates confirming the stock held by them have been obtained periodically in most of the cases. The frequency of verification is reasonable.
- (b) In our opinion and according to the explanations

given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

- (c) In our opinion and according to the explanations given to us, the company is maintaining proper records of inventory. We have been informed that no material discrepancies have been noticed on physical verification of inventory as compared to book records.
- iii) (a) According to the information and explanations given to us, the company has not granted any loan, secured or unsecured to parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, our comments for reporting whether the terms & conditions of such loans are prejudicial to the interest of the Company, whether reasonable steps are taken for recovery of over-dues of such loans granted, maximum amount outstanding during the year and year-end balance are not required.
- (b) During the year the Company has not taken any loans, secured or unsecured from parties covered in the Register maintained under section 301 of the Companies Act 1956. Hence, our comments for reporting whether the terms & conditions of such loans are prejudicial to the interest of the Company, whether reasonable steps are taken for repayment of over-dues of such loans taken, maximum amount outstanding during the year and year-end balance are not required.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, with regard to purchases of inventory and fixed assets and for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) (a) According to the information and explanations given to us, we are of the opinion that transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per the information available with the Company.
- vi) According to the information and explanations provided by the management, the company has not accepted deposits which are deposits within the meaning of Rule (2b) of the Companies (Acceptance of Deposits) Rules, 1975.
- vii) In our opinion, the Company has an Internal Audit System commensurate with the size of the Company and nature of its business.
- viii) We have broadly reviewed the books of account maintained

by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed accounts and records have been maintained. However, we have not made detailed examination of the records with a view to determine whether they are accurate or complete.

- ix) According to the information and explanations given to us:
- the company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education & Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Cess or any other statutory dues with the appropriate authorities during the year;
  - no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Duty, Excise Duty and Cess and any other undisputed statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable;
  - there are no disputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty or Cess, by the Company except following:

Name of the Statute	Income Tax Act, 1961	Maharashtra Value Added Tax, 2002
Nature of Dues	Income Tax	Value Added Tax
Amount / Rs. Lacs	1.18	7.80
Period to which the amount relates	Assessment Year 2010-11	Financial Year 2009-10
Forum where the dispute is pending	Commissioner of Income Tax (Appeals).	Joint Commissioner of Sales Tax (Appeals) Pune

- The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- As informed to us, the company has not defaulted in repayment of dues to financial institutions, banks.
- As informed to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
- In our opinion, and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not a chit-fund, nidhi or mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- According to the information and explanations given to us by the management of the Company, the company is not dealing or trading in shares, securities, debentures and

other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.

- According to the information and explanations given to us by the management of the Company, the Company has not given any guarantee for loans taken by others from bank and financial institution.
- As informed to us, the proceeds of the term loans taken by the company are applied for the purpose for which the loans were obtained.
- In our opinion and according to the explanations given to us, the funds raised by the company on short term basis have not been used for long-term investment.
- According to the records of the company and the information & explanations provided by the management, the company has not made any preferential allotment of shares to parties & companies covered in the register maintained under section 301 of the Companies Act, 1956.
- According to the records of the Company, the Company has not issued any debentures during the year.
- The company has not raised any money by public issues during the period covered by our audit report.
- Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For D. R. Barve & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101034W**

**CA. D. R. Barve**  
**(Proprietor)**  
**Membership No.17661**

**Place: New Delhi**  
**Date: May 29, 2014**

# Lumax Auto Technologies Limited

## Balance Sheet as at March 31, 2014

(Amount in Rs. )

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
<b>Equity &amp; Liabilities</b>			
<b>Shareholders' funds</b>			
(a) Share capital	3	136,315,410	136,315,410
(b) Reserves and surplus	4	897,351,984	839,658,057
		<u>1,033,667,394</u>	<u>975,973,467</u>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	5	385,438,969	253,304,334
(b) Deferred tax liabilities (Net)	6	73,876,021	32,476,038
(c) Other Long term liabilities	7	31,230,500	32,505,893
		<u>490,545,490</u>	<u>318,286,265</u>
<b>Current liabilities</b>			
(a) Trade payables	8	1,063,477,382	726,243,054
(b) Other current liabilities	9	166,370,015	185,801,990
(c) Short-term provisions	10	200,284,003	178,455,865
		<u>1,430,131,400</u>	<u>1,090,500,909</u>
<b>TOTAL</b>		<u><u>2,954,344,284</u></u>	<u><u>2,384,760,641</u></u>
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		1,140,349,365	403,698,173
(ii) Intangible assets		14,517,664	9,020,464
(iii) Capital work-in-progress		44,852,249	361,165,630
(b) Non-current investments	12	262,867,930	262,977,692
(c) Long-term loans and advances	13	103,666,646	219,094,215
(d) Other non-current assets	14	23,064,017	1,723,822
		<u>1,589,317,871</u>	<u>1,257,679,996</u>
<b>Current assets</b>			
(a) Current investments	15	259,755	-
(b) Inventories	16	230,740,176	175,311,663
(c) Trade receivables	17	919,726,240	829,359,578
(d) Cash and Bank Balances	18	100,499,597	47,500,429
(e) Short-term loans and advances	19	112,722,372	72,961,507
(f) Other current assets	20	1,078,273	1,947,468
		<u>1,365,026,413</u>	<u>1,127,080,645</u>
<b>TOTAL</b>		<u><u>2,954,344,284</u></u>	<u><u>2,384,760,641</u></u>

See accompanying notes to the financial statements

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As per our report of even date

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

**For D. R. Barve & Co.**  
Chartered Accountants  
Firm Registration No. 101034W

**CA D. R. Barve**  
Proprietor  
M. No. 17661

**D. K. Jain**  
Chairman

**Anmol Jain**  
Managing Director

Place : New Delhi  
Date : May 29, 2014

**Ashish Dubey**  
Head Finance

**Pratik Dhuri**  
Company Secretary

**Statement of Profit & Loss for the year ended March 31, 2014**

(Amount in Rs. )

S No.	Particulars	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
I.	Revenue from operations (Gross )	21	5,144,420,914	4,679,984,617
	Less: Excise Duty		378,324,524	351,463,661
	Revenue from operations (Net)		4,766,096,390	4,328,520,956
II.	Other income	22	21,189,918	18,370,059
III.	<b>Total Revenue (I + II)</b>		<b>4,787,286,308</b>	<b>4,346,891,015</b>
IV.	<b>Expenses</b>			
	Cost of materials consumed	23	2,146,594,596	1,780,721,750
	Purchases of Stock-in-Trade		1,504,139,724	1,568,002,881
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(38,666,248)	(39,970,086)
	Manufacturing expenses	25	225,921,608	187,758,635
	Employee benefits expense	26	368,888,496	283,994,161
	Finance costs	27	32,669,247	1,550,730
	Depreciation and amortization expense		81,490,397	39,377,247
	Other expenses	28	244,059,367	198,273,990
	<b>Total expenses</b>		<b>4,565,097,187</b>	<b>4,019,709,308</b>
V.	<b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>222,189,121</b>	<b>327,181,707</b>
VI.	Exceptional items	29	(2,813,254)	47,335
VII.	<b>Profit before extraordinary items and tax (V - VI)</b>		<b>225,002,375</b>	<b>327,134,372</b>
VIII.	<b>Profit before tax</b>		<b>225,002,375</b>	<b>327,134,372</b>
IX.	Tax expense			
	(1) Earlier Year's tax		(307,402)	(436,374)
	(2) Provision for tax (Under MAT)		46,708,858	-
	Less: Mat Credit entitlement/(Utilisation)		12,992,320	-
	Net Current tax liability		33,716,538	-
	(3) Current tax		-	99,477,000
	(4) Deferred tax		41,399,983	5,110,634
X	<b>Profit for the period from continuing operations (VIII-IX)</b>		<b>150,193,256</b>	<b>222,983,112</b>
XI	<b>Profit for the period</b>		<b>150,193,256</b>	<b>22,983,112</b>
XII	<b>Earning per equity share:</b>			
	(1) Weighted Average number of Equity Shares outstanding during the year		13,631,541	13,631,541
	(2) Nominal Value per share		10.00	10.00
	(3) Basic & Diluted Earning per share		11.02	16.36

See accompanying notes to the financial statements

30-40

As per our report of even date

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

**For D. R. Barve & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101034W**

**CA D. R. Barve**  
**Proprietor**  
**M. No. 17661**

**D. K. Jain**  
**Chairman**

**Anmol Jain**  
**Managing Director**

**Place : New Delhi**  
**Date : May 29, 2014**

**Ashish Dubey**  
**Head Finance**

**Pratik Dhuri**  
**Company Secretary**

# Lumax Auto Technologies Limited

## Cash Flow Statement for the year ended March 31, 2014

(Amount in Rs.)

S No.	Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>A.</b>	<b>Cash Flow From Operating Activities :</b>		
	Profit before tax	225,002,374	327,134,372
	Adjustments for :		
	Depreciation & amortization of assets	81,490,397	39,377,247
	Loss/(Profit) on sale of fixed assets	(2,813,254)	47,335
	Dividend & interest income	(6,501,050)	(10,155,579)
	Interest expense	32,669,247	1,550,730
	Tax related expenses	48,920	380,488
	Operating profit before working capital changes	329,896,634	358,334,593
	Adjustments for :		
	Inventories	(55,428,513)	(35,809,715)
	Trade & other receivables	(90,366,662)	(86,343,464)
	Trade & other payables	338,952,394	160,652,362
	Other loans & advances ( Net )	68,188,024	(175,875,395)
	Creditors for Assets written back	6,268,708	-
	Cash generated from operations	597,510,585	220,958,381
	Direct taxes paid	(47,047,671)	(93,979,726)
	<b>Net cash from operating activities</b>	<b>550,462,914</b>	<b>126,978,655</b>
<b>B.</b>	<b>Cash flow from investing activities :</b>		
	Purchase of fixed assets	(828,057,540)	(136,668,936)
	Proceeds from sale of fixed assets	963,297	3,282,378
	(Purchase) / sale of investment	(149,993)	(7,499,912)
	Dividend & interest received	6,501,050	10,006,213
	Decrease / (Increase) in capital W.I.P.	316,313,381	(311,257,976)
	Capital incentive received	3,190,000	-
	<b>Net Cash from investing activities</b>	<b>(501,239,805)</b>	<b>(442,138,233)</b>
<b>C.</b>	<b>Cash flow from financing activities :</b>		
	Increase/(Decrease) In borrowings	132,134,635	245,465,145
	Interest paid	(32,669,247)	(1,550,730)
	Dividend paid	(81,789,246)	(81,655,280)
	Tax on distributed profits	(13,900,083)	(13,268,260)
	<b>Net Cash from financing activities</b>	<b>3,776,059</b>	<b>148,990,875</b>
	Net Increase/(Decrease) in cash & cash equivalents	52,999,168	(166,168,703)
	Cash & cash equivalents at the beginning of the year	47,500,429	213,669,132
	Cash & cash equivalents at the end of the year	100,499,597	47,500,429

As per our report of even date

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

For D. R. Barve & Co.  
Chartered Accountants  
Firm Registration No. 101034W

CA D. R. Barve  
Proprietor  
M. No. 17661

D. K. Jain  
Chairman

Anmol Jain  
Managing Director

Place : New Delhi  
Date : May 29, 2014

Ashish Dubey  
Head Finance

Pratik Dhuri  
Company Secretary

## Notes to Financial Statements for the year ended March 31, 2014

### 1 Company Information

Lumax Auto Technologies Limited is a Public Limited Company located in India and Incorporated under the Companies Act, 1956. The Company is engaged in dealing & manufacturing of automotive components. The Shares of the Company are listed on the Bombay Stock Exchange Ltd. (BSE) and the National Stock Exchange of India Ltd. (NSE).

### 2 Significant Accounting Policies

#### 2.1 Basis of preparation

These financial statements have been prepared in accordance with Generally Accepted Accounting Principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and Companies (Accounting Standards) Rules, 2006, as amended and the other relevant provisions of the Companies Act, 1956

All assets and liabilities have been classified as current and non-current.

Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

#### 2.2 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events & actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. These differences between actuals & estimates are recognized in the period in which the results are known/materialized.

#### 2.3 Inventories

- a) Raw Materials and components, stores & spares (including packing materials), traded goods (including moulds & Dies) valued at lower of Landed cost (net of taxation credits, if any) and net Realizable value, after making provision for obsolescence wherever necessary.

Cost comprises of cost of purchase & other costs incurred in bringing them to their respective present location and condition and is determined on moving weighted average basis \*.

- b) Work-in-progress, Finished Goods -

Valued at lower of cost and Net realizable value, after making provision for obsolescence wherever necessary

Cost of Work-in-progress & finished goods includes direct material, labour and proportion of manufacturing overheads.

- c) Scrap

At Net realizable value.

*\* During the year, the company has implemented SAP as ERP platform and the valuation of inventories of Raw Material, Stores and spares for the year is done on the basis of weighted average method instead of FIFO basis applied in the earlier years. Had the company followed the same previous year method of valuing inventory of raw materials, stores and spares, the value of inventory would have been lower by Rs. 1,143,055/- and consequently, profit for the year ended March 31, 2014 would have been lower by Rs. 1,143,055/-. Further, previous year figures are not comparable to that extent.*

#### 2.4 Cash & cash equivalents

In the cash flow statement, 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.

##### Cash flow statement

Cash flow statement has been prepared by following the indirect method set out in the Accounting Standard - 3 of "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

## 2.5 Events subsequent to the Balance Sheet date

Events occurring after the Balance Sheet date, which have a material impact on the financial affairs of the Company, are taken into cognisance while presenting the Financial Statements of the Company.

## 2.6 Prior period, extraordinary items & changes in accounting policies

Prior period and extraordinary items and changes in accounting policies having a material impact on the financial affairs of the Company are disclosed, wherever required.

## 2.7 Depreciation & amortization of tangible & intangible assets:

Depreciation is provided on a pro-rata basis on the straight-line method as per the rates prescribed under Schedule XIV of the Companies Act, 1956, read with relevant circulars issued by the department of Company Affairs from time to time.

Depreciation on additions to / deletions from Tangible fixed assets made during the year is provided on pro-rata basis from/ upto the date of such additions / deletions, as the case may be.

Intangible assets are amortized as follows :

- a) Leasehold land : Over the period of lease
- b) Specialized software : Over the estimated economic useful life.
- c) Technical Knowhow : Over a period of technical assistance agreement i.e. 8 years.

## 2.8 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

### Sale of goods

Revenue from operations is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and , therefore, these are not economic benefits following to the company. Hence , they are excluded from revenue. Excise duty deducted from revenue (Gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of profit and loss.

### Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

## 2.9 Tangible Assets

Tangible Assets are stated at acquisition cost, net of eligible CENVAT, cess, deferred excise duty, VAT setoff and accumulated depreciation. Cost includes purchase cost together with inward freight, duties, taxes & incidental cost of acquisition, installation & eligible borrowing cost. It also includes pre-operative expenses incurred during the construction, trial & stabilization period until the time such assets are put to commercial use.

## 2.10 Foreign currency transactions

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss account.

## 2.11 Government grants are recognized only if there is reasonable assurance as to its receipt and that the conditions attached thereto shall be complied with.

## 2.12 Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term

investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another assets, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

## **2.13 Employee benefits**

a) **Short term benefits** : Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of Profit & Loss account of the year in which the related service is rendered. These benefits include salaries, bonus, medical expenses etc.

b) **Long term benefits:**

**Defined contribution plan** : Employees' benefits in the form of ESIC, provident fund & labour welfare fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit & Loss of the year, on accrual basis, when the contributions to the respective funds are due.

**Defined benefit plan** : Gratuity benefits in the form of gratuity are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation using the projected unit credit method as at the date of Balance Sheet.

**Leave encashment** : Benefits in the form of leave encashment on account of un-availed leave at the year end are also considered as defined benefit obligations and are provided as per the actuarial valuation according to projected unit cost method.

Actuarial gains / losses, if any, are immediately recognized in the statement of profit & loss account.

## **2.14 Borrowing [Finance] costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed out to the statement of profit & loss.

## **2.15 Segment reporting**

The company has identified its primary business segment as dealing & manufacturing of "Automotive components"

All activities of the company revolve around the above segment. The entire operations are governed by the same set of risks and returns. Hence it is considered as single primary business segment.

The company sells its products in domestic as well as overseas markets. However, the exports of the company have not been identified as separate geographical segment for reporting purpose as it does not fulfill the criteria as laid down in AS -17 : Segment Reporting issued by the Institute of Chartered Accountants of India. Hence operations have been considered as representing a single geographical segment.

## **2.16 Lease**

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating Leases are recognized as expenses on straight line basis as per terms of lease.

## **2.17 Earning per share**

In considering the earning per share, the Company considers the Net Profit or Loss for the year attributable to the Equity Shareholders.

The number of shares used in computing basic earning per share is the weighted average number of equity shares outstanding during the year.

The number of shares used in computing Diluted Earning per share is the weighted average number of Equity Shares outstanding during the year after adjusting for the effects of all dilutive potential Equity Shares.

## **2.18 Current & deferred tax**

Tax expenses for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period

Provision for current tax is made by taking into account the admissible deductions/allowances under the provisions of Income Tax Act 1961, as applicable for respective financial year.

Deferred tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured by using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company reassesses unrecognized deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

## **2.19 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization as per the criteria specified in Accounting Standard (AS) 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India.

## **2.20 Accounting for Interests in Joint Ventures**

Interest in Joint Venture is accounted as follows:

Jointly Controlled Entities - Income on investments in incorporated jointly /controlled entities is recognized when the right to receive the same is established. Investment in such joint /ventures is carried at cost after providing for any permanent diminution in value.

## **2.21 Impairment of tangible & intangible assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit & Loss in the year in which the asset is identified as impaired. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **2.22 Provisions for contingent liabilities**

**Provisions** : Provisions, involving substantial degree of estimation in measurement, are recognized if :

- a) the Company has a present obligation as a result of a past event and
- b) it is probable that there will be an outflow of resources and
- c) the amount of the obligation can be reliably estimated.

Provisions are not discounted to its present value and are determined based on the best Management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Warranty expenses are provided for in the year of sales based on technical estimates.

**Contingent liabilities** : Contingent liabilities are disclosed in case of :

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- b) a present obligation when no reliable estimate is possible; and
- c) a possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent liabilities are reviewed at each Balance Sheet date.

Contingent assets : Contingent assets are neither recognized nor disclosed.

**3 Share Capital**

Particulars	Par Value per share (Rs.)	Balance Outstanding as at March 31, 2014		Balance Outstanding as at March 31, 2013	
		No of Shares	Value (Rs.)	No of Shares	Value (Rs.)
<b>Equity share capital</b>					
Authorised :	10	15,000,000	150,000,000	15,000,000	150,000,000
Issued, Subscribed and Paid-up :	10	13,631,541	136,315,410	13,631,541	136,315,410
<b>Reconciliation of Shares outstanding at the beginning &amp; at the end of the reporting year:</b>					
At the beginning of the year		13,631,541	136,315,410	13,631,541	136,315,410
Issued during the year		-	-	-	-
Outstanding at the end of the year		13,631,541	136,315,410	13,631,541	136,315,410

**3.1 Rights, preferences & restrictions attached to shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each equity share holder is entitled to one vote per share. The company declares dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**3.2 Details of Dividend Distribution**

Particulars	2013-14 (Rs.)	2012-13 (Rs.)
Amount of per share dividend recognized as distribution to equity shareholders	6	6

**3.3 Details of shareholders holding more than 5% shares in the company at the end of current/previous year**

Name	As at March 31, 2014		As at March 31, 2013	
	No of Shares	Holding (%)	No of Shares	Holding (%)
Dhanesh Kumar Jain	1,655,257	12.14	1,655,257	12.14
Lumax Finance Private Limited	2,422,264	17.77	2,422,264	17.77
Dhanesh Kumar Jain (HUF)	1,180,971	8.66	1,180,971	8.66
Deepak Jain	914,652	6.71	914,652	6.71
Anmol Jain	862,240	6.33	862,240	6.33

**4. Reserves & Surplus**

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Capital Reserve</b>		
Balance as at the beginning of the year	-	-
Add: Addition during the year	3,190,000	-
Balance as at the end of the year	3,190,000	-
<b>Securities Premium Account</b>		
Balance as at the beginning of the year	452,854,525	452,854,525
Balance as at the end of the year	452,854,525	452,854,525
<b>General Reserve</b>		
Balance as at the beginning of the year	81,600,000	59,300,000
Add : Transferred from surplus in statement of profit & loss during the year	15,020,000	22,300,000
Balance as at the end of the year	96,620,000	81,600,000

Continued

# Lumax Auto Technologies Limited

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Statement of Profit and Loss</b>		
Balance as at the beginning of the year	305,203,532	200,209,749
Add: Profit for the year	150,193,256	222,983,112
Less: Appropriations		
Transfer to general reserve	15,020,000	22,300,000
Proposed dividend on equity shares @ Rs. 6 /-(Previous year Rs. 6/-) per share	81,789,246	81,789,246
Dividend distribution tax on proposed dividend on equity shares	13,900,083	13,900,083
Balance as at the end of the year	344,687,459	305,203,532
<b>Total Reserves &amp; Surplus</b>	<b>897,351,984</b>	<b>839,658,057</b>

- 4.1 The company has received subsidy amounting to Rs. 3,150,000 (Previous year nil) from Government of Maharashtra in order to encourage the dispersal of industries to the less developed areas of the State, to achieve higher and sustainable economic growth with emphasis on balanced Regional Development and Employment Generation through greater Private and Public Investment in industrial development. As it is not specifically intended to subsidise the Cost of Capital, therefore, it is being considered as Capital Reserve by the company.

## 5. Long Term Borrowings

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Secured-</b>		
Term Loans:		
- from banks	381,042,888	247,747,897
- from other parties	-	111,030
<b>Unsecured -</b>		
Deferred sales tax loan	4,396,081	5,445,407
<b>Total</b>	<b>385,438,969</b>	<b>253,304,334</b>

- 5.1 Rs. 500,000,000/- (Previous year Rs. 200,000,000/-) taken in the financial year 2012-13 carries interest @ 10.25% - 10.55% p.a at present. The loan is repayable in 16 equal quarterly intallments of Rs. 31,250,000/- after one year moratorium period from the disbursement date i.e from January 3, 2013. The loan is secured by extension of charges by way of hypothecation on the plant and machinery alongwith the UREM on land and building, situated at Narsapura Hobli plant.
- 5.2 Rs. 9,814,603/- (Previous year Rs. 49,135,407/-) vehicle loan from banks at interest @ 11.00% - 11.50 % aggregating to are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.
- 5.3 Deferred Sales tax loan is received for interest free period of 15 years and is repayable in 5 annual installments after completion of 10 years .

## 6. Deferred Tax Liabilities

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Deferred Tax Liabilities-</b>		
Depreciation & unrealized forex gain	80,531,620	37,759,834
<b>Total</b>	<b>80,531,620</b>	<b>37,759,834</b>
<b>Deferred Tax Assets-</b>		
Provision for doubtful trade receivables & advances	1,225,562	1,217,353
Disallowance u/s 43B	454,104	3,271,191
Disallowance u/s 40 (a)	915,933	795,252
<b>Total</b>	<b>6,655,599</b>	<b>5,283,796</b>
<b>Deferred tax liability (Net)</b>	<b>73,876,021</b>	<b>32,476,038</b>
<b>Deferred tax expense / (Income)</b>		
Subsequent to Accounting Standard - 22 "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India, deferred tax expense / (Income) has been recognized in the Statement of Profit & Loss.	41,399,983	5,110,634

**7. Other Long Term Liabilities (Amount in Rs.)**

Particulars	As at March 31, 2014	As at March 31, 2013
Unsecured deposits from customers	31,230,500	32,505,893
<b>Total</b>	<b>31,230,500</b>	<b>32,505,893</b>

**8. Trade Payables (Amount in Rs.)**

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Goods purchase</b>		
Micro, small and medium enterprises	111,449,814	-
Others	952,027,568	726,243,054
<b>Total</b>	<b>1,063,477,382</b>	<b>726,243,054</b>

**8.1 The details of amount outstanding to Micro Small and Medium Enterprises based on available information with the Company are as under :-**

Particulars	As at March 31, 2014	As at March 31, 2013
i) Principal amount due and remaining unpaid to any supplier as at the end of accounting year	553,777	Nil
ii) Interest due on principal amount remaining unpaid as at the end of Accounting year	6,058	Nil
iii) Amount of interest alongwith principal amount paid to Supplier beyond due date of payment	Nil	Nil
iv) Amount of interest accrued / due and remaining unpaid at the end of Accounting Year	6,058	Nil
v) Amount of further interest remaining due and payable even in succeeding year, until such date when the interest dues as above are actually paid to the small enterprises	Nil	Nil

**9. Other Current Liabilities (Amount in Rs.)**

Particulars	As at March 31, 2014	As at March 31, 2013
Current maturities of long term debt	128,771,715	1,276,480
Current maturities of deferred sales tax loan	2,184,776	1,809,567
Unpaid dividends	626,861	539,843
Unsecured Advances from customers ( Re-payable on demand)	2,165,018	4,949,163
For capital purchase	2,929,420	142,593,269
For others	29,692,225	34,633,668
<b>Total</b>	<b>166,370,015</b>	<b>185,801,990</b>

**10. Short Term Provisions (Amount in Rs.)**

Particulars	As at March 31, 2014	As at March 31, 2013
Provision for employee benefits	30,112,770	28,622,780
Provision for gratuity	9,179,884	2,127,019
Provision for earned leave	6,376,165	3,634,681
Provision for proposed dividend @ Rs. 6/- (Previous year Rs. 6/- ) per share	81,789,246	81,789,246
Tax on proposed dividend	13,900,083	13,900,083
Provision for income tax (Net of tax paid)	7,634,518	8,255,303
Provision for wealth tax	48,920	25,430
Others Provisions	51,242,417	40,101,323
<b>Total</b>	<b>200,284,003</b>	<b>178,455,865</b>

# Lumax Auto Technologies Limited

## 11(i) Tangible Fixed Assets

(Amount in Rs.)

Particulars	Land		Buildings	Plant and Machinery	Furniture & Fixture	Office Equipments	Vehicle	Computers	Total
	Freehold	Leasehold							
<b>Gross Block</b>									
As at April 1, 2012	761,200	33,358,966	86,028,097	349,786,325	6,997,861	3,363,212	10,549,592	10,928,739	501,773,992
Additions	-	-	6,409,142	113,333,136	7,552,954	1,260,991	2,504,749	2,836,659	133,897,631
Deductions	-	-	-	(5,720,953)	-	-	-	(102,713)	(5,823,666)
<b>As at March 31, 2013</b>	<b>761,200</b>	<b>33,358,966</b>	<b>92,437,239</b>	<b>457,398,508</b>	<b>14,550,815</b>	<b>4,624,203</b>	<b>13,054,341</b>	<b>13,662,685</b>	<b>629,847,957</b>
As at April 1, 2013	761,200	33,358,966	92,437,239	457,398,508	14,550,815	4,624,203	13,054,341	13,662,685	629,847,957
Additions	51,219,583	165,744	208,141,583	528,900,578	4,110,646	7,276,105	12,301,122	2,786,512	814,901,873
Deductions	-	-	-	(2,066,498)	-	-	(1,304,581)	-	(3,371,079)
<b>As at March 31, 2014</b>	<b>51,980,783</b>	<b>33,524,710</b>	<b>300,578,822</b>	<b>984,232,588</b>	<b>18,661,461</b>	<b>11,900,308</b>	<b>24,050,882</b>	<b>16,449,197</b>	<b>1,441,378,751</b>
<b>Depreciation/Amortization</b>									
As at April 1, 2012	-	1,151,254	23,943,678	150,356,010	4,601,966	1,241,909	4,057,764	6,645,962	191,998,543
For the year	-	244,881	3,031,737	30,159,033	630,455	155,609	1,108,680	1,314,795	36,645,190
Deductions	-	-	-	(2,448,536)	-	-	-	(45,418)	(2,493,954)
<b>As at March 31, 2013</b>	<b>-</b>	<b>1,396,135</b>	<b>26,975,415</b>	<b>178,066,507</b>	<b>5,232,421</b>	<b>1,397,518</b>	<b>5,166,444</b>	<b>7,915,339</b>	<b>226,149,779</b>
As at April 1, 2013	-	1,396,135	26,975,415	178,066,507	5,232,421	1,397,518	5,166,444	7,915,339	226,149,779
For the year	-	337,898	7,647,024	63,304,213	1,252,581	513,213	1,635,578	1,549,994	76,240,501
Deductions	-	-	-	(889,600)	-	-	(471,294)	-	(1,360,894)
<b>As at March 31, 2014</b>	<b>-</b>	<b>1,734,033</b>	<b>34,622,439</b>	<b>240,481,120</b>	<b>6,485,002</b>	<b>1,910,731</b>	<b>6,330,728</b>	<b>9,465,333</b>	<b>301,029,386</b>
<b>Net Block</b>									
As at March 31, 2013	761,200	31,962,831	65,461,824	279,332,001	9,318,394	3,226,685	7,887,897	5,747,346	403,698,173
<b>As at March 31, 2014</b>	<b>51,980,783</b>	<b>31,790,677</b>	<b>265,956,383</b>	<b>743,751,468</b>	<b>12,176,459</b>	<b>9,989,577</b>	<b>17,720,154</b>	<b>6,983,864</b>	<b>1,140,349,365</b>

## 11(ii) Intangible Fixed Assets

(Amount in Rs.)

Particulars	Technical Know How	Computer Software	Total
<b>Gross Block</b>			
As at April 1, 2012	12,282,734	3,644,276	15,927,010
Additions	154,913	2,616,394	2,771,307
<b>As at March 31, 2013</b>	<b>12,437,647</b>	<b>6,260,670</b>	<b>18,698,317</b>
As at April 1, 2013	12,437,647	6,260,670	18,698,317
Additions	-	13,155,667	13,155,667
Deductions	(6,653,700)	-	(6,653,700)
<b>As at March 31, 2014</b>	<b>5,783,947</b>	<b>19,416,337</b>	<b>25,200,284</b>

Continued

(Amount in Rs.)

Particulars	Technical Know How	Computer Software	Total
<b>Depreciation/Amortization</b>			
As at April1, 2012	4,820,326	2,125,470	6,945,796
For the year	1,564,576	1,167,481	2,732,057
<b>As at March 31, 2013</b>	<b>6,384,902</b>	<b>3,292,951</b>	<b>9,677,853</b>
As at April 1, 2013	6,384,902	3,292,951	9,677,853
For the year	1,552,427	3,697,469	5,249,896
Deductions	(4,245,130)	-	(4,245,130)
<b>As at March 31, 2014</b>	<b>3,692,200</b>	<b>6,990,420</b>	<b>10,682,620</b>
<b>Net Block</b>			
As at March 31, 2013	6,052,745	2,967,719	9,020,464
<b>As at March 31, 2014</b>	<b>2,091,747</b>	<b>12,425,917</b>	<b>14,517,664</b>

**12. Non-Current Investments**

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Non-trade investments</b>		
<b>Investments in Equity Instruments</b>		
<b>Unquoted</b>		
<b>Subsidiary Company</b>		
<b>(Lumax DK Auto Industries Ltd.)</b>	<b>12,365,947</b>	12,722,220
4,240,313 (previous year 4,240,313) Equity Shares of Rs. 10/- Each Fully Paid up (Acquired in Consideration of issue of 1,272,222 equity shares of the Company @ Rs. 10/- each fully paid-up)		
<b>(Lumax Mannoh Allied Technologies Ltd. )</b>		
10,000 Equity Shares of Rs. 10/- each fully Paid up against subcription of MOA		
1,914,284 Equity Shares of Rs. 10/- each fully Paid up issued by way of demerger process	<b>196,511</b>	-
<b>Joint Ventures</b>		
<b>(Lumax Cornaglia Auto Technologies Pvt. Ltd.)</b>	<b>56,471,366</b>	56,471,366
3,185,609(previous year 3,185,609) Equity Shares of Rs. 10/- Each Fully Paid up		
<b>(Lumax Gill-Austem Auto Technologies Pvt. Ltd.)</b>		
5,000 Equity Shares of Rs. 10/- each fully Paid up	<b>50,000</b>	-
<b>Others</b>		
<b>Shares of Rupee Co-op Bank Ltd.</b>	<b>1,000</b>	1,000
20 (previous year 20) Equity shares of Rs. 50/- each fully paid-up		
<b>Quoted</b>		
<b>Lumax Industries Ltd.</b>	<b>193,783,106</b>	193,783,106
525,000 (previous year 525,000) Equity Shares of Rs. 10/- Each Fully Paid up of Lumax Industries Ltd.		
<b>Total</b>	<b>262,867,930</b>	262,977,692
<b>Aggregate cost of quoted investments</b>	<b>193,783,106</b>	193,783,106
<b>Aggregate cost of unquoted investments</b>	<b>68,838,313</b>	69,194,586
<b>Aggregate market value of quoted investments</b>	<b>152,407,500</b>	183,671,250

# Lumax Auto Technologies Limited

## 12.1 Disclosure of Standalone Results of Subsidiary Company :

The Ministry of Company Affairs, Government of India, vide its General Circular no. 2/2011 dated February 8, 2011 issued under section 212(8) of the Companies Act, 1956, has exempted the company from attaching the Balance sheet and Statement of Profit and Loss of its Subsidiary under section 212(1) of the Companies Act, 1956.

## 12.2 Interest in Joint Venture Companies

Pursuant to Accounting Standard 27 on Financial Report of Interests in Joint Ventures, the relevant information relating to the Joint Venture Companies, is as given below:

Name of the Joint Venture Company	Country of Incorporation	Proportion of Ownership Interest
Lumax Cornaglia Auto Technologies Private Limited	India	50:50
Lumax Gill-Austem Auto Technologies Private Limited	India	50:50

### Description of Interest:

JV's are established principally for manufacturing, assembly and sale of automotive components

Proportion of Company's Interest in Joint Venture	2013-14 (Audited)	2012-13 (Audited)
<b>Assets</b>		
Tangible assets	45,847,152	45,756,125
Intangible assets	1,764,253	2,129,982
Capital Work in Progress	6,209,069	3,756,334
Long term loans & advances	7,013,500	1,859,986
Inventories	27,166,573	23,351,350
Trade receivables	24,826,807	24,029,477
Cash and Bank balances	1,038,956	6,041,255
Short-term loans and advances	9,266,147	9,905,801
<b>Liabilities</b>		
Deferred tax liabilities (Net)	5,746,145	4,630,898
Long term provisions	413,103	253,262
Short term borrowings	2,461,846	1,919,906
Trade payables	30,542,146	34,435,706
Other current liabilities	4,842,021	4,478,325
Short-term provisions	3,562,874	2,332,300
Capital Commitments	-	2,606,736
<b>Income</b>		
Revenue from operations (Net of Excise)	126,677,516	112,539,700
Other Income	-	55,713

Proportion of Company's Interest in Joint Venture	2013-14 (Audited)	2012-13 (Audited)
<b>Expenses</b>		
Cost of material consumed	91,737,476	86,860,946
Changes in inventories of finished goods, work-in-progress and stock-in-trade	160,253	(1,449,766)
Employee benefit expenses	7,628,927	6,542,212
Finance cost	361,263	310,991
Depreciation and amortization expenses	3,196,009	2,943,822
Other expenses	13,624,554	10,975,571
Provision for current and deferred tax	3,238,043	2,202,613

The Company was allotted Shares in Lumax Mannoh Allied Technologies Ltd. (Formerly known as Lumax Mannoh Allied Technologies Pvt. Ltd. )(LMAT) in a scheme of arrangement for Demerger of Gear Shifter division (including R&D Division) of Lumax DK Auto Industries Ltd. ( LDK) (Demerged undertaking) into LMAT pursuant to the arrangement scheme approved by Hon'ble Delhi High Court vide order dated January 10, 2014 .

The Company was allotted Shares equal to the net asset value transferred to LMAT by LDK on the close of business on September 30, 2013 at par.

The cost of acquisition of shares allotted to the company by LMAT is calculated at the amount which bears to the cost of acquisition of shares held by the company in LDK in the same proportion of the net book value of the Assets transferred in the demerger to the net worth of the LDK immediately before the demerger. Further, the cost of acquisition of Shares held by the company in the demerged company i.e. LDK has been reduced by the amount so arrived at as per earlier para.

### 13. Long Term Loans & Advances

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Unsecured, considered good:</b>		
a) Capital advances	69,446,940	187,591,964
b) Security deposits	34,219,706	31,502,251
<b>Unsecured considered doubtful:</b>		
a) Security deposit	500,000	500,000
Less: Provision for bad & doubtful debts	(500,000)	(500,000)
<b>Total</b>	<b>103,666,646</b>	<b>219,094,215</b>

### 14. Other Non-Current Assets

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Long Term Bank deposits</b>	<b>10,071,697</b>	<b>1,723,822</b>
maturity more than 12 months		
MAT credit entitlement	12,992,320	-
<b>Total</b>	<b>23,064,017</b>	<b>1,723,822</b>

#### 14.1 Balance in Deposit Accounts includes:-

- Rs. 250,000/- is deposited towards guarantee in Central Excise Delhi for removal of Goods without payment of Excise Duty under Bond ( CT-1 form) for Export.
- Rs. 50,000/- is deposited towards guarantee in Sales Tax department (Nahan Kala-amb) .

# Lumax Auto Technologies Limited

## 15. Current Investment

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Lumax Mannoh Allied Technologies Ltd. 1,566,233 Equity Shares of Rs. 10/- each fully Paid up issued by way of demerger process	259,755	-
<b>Total</b>	<b>259,755</b>	<b>-</b>

On April 17, 2014, Company has received an advance of Rs. 237,150,000/- against sale of 45% shares of Lumax Mannoh Allied Technologies Limited (Formerly known as Lumax Mannoh Allied Technologies Pvt Ltd) (LMAT). The advance is received from Mannoh Industrial Co, Ltd, Japan in terms of Joint Venture and Share Purchase and Shareholders' agreement dated March 4, 2014 amongst Lumax Auto Technologies Limited, Mannoh Industrial Co. Ltd., Lumax DK Auto Industries Limited and Lumax Mannoh Allied Technologies Limited.

Based on above the company has classified its investment in LMAT into short term and long term investment in the preparation of Balance Sheet of the company.

## 16. Inventories

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Raw materials		
- Goods in transit	563,804	-
- Others	72,483,262	65,953,004
Work-in-progress	16,180,548	7,076,002
Finished goods		
- Goods in transit	7,330,305	8,629,238
- Others	11,478,373	-
Stock-in-trade (in respect of goods acquired for trading)		
- Goods in transit	-	-
- Others	113,759,594	90,396,729
Stores and spares		
- Packing material	1,579,551	812,769
- Consumables	7,004,739	2,443,921
-Mould & Dies	360,000	-
<b>Total</b>	<b>230,740,176</b>	<b>175,311,663</b>

## 17. Trade Receivables

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Unsecured</b>		
Debts outstanding for a period exceeding six months from the date they are due for payment:		
Considered good	466,761	15,420
Considered doubtful	3,081,502	3,081,502
Other Debts		
Considered good	919,259,479	829,344,158
Considered doubtful	-	-
	<b>922,807,742</b>	<b>832,441,080</b>
Less: Provision for doubtful debts	<b>3,081,502</b>	<b>3,081,502</b>
<b>Total</b>	<b>919,726,240</b>	<b>829,359,578</b>

**18. Cash & Bank Balances**

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Cash &amp; cash equivalents</b>		
- Cash on hand	1,263,702	810,421
- in Current accounts	89,900,599	31,483,660
- in Cash credit account	-	40,320
<b>Total Cash &amp; Cash Equivalents (A)</b>	<b>91,164,301</b>	<b>32,334,401</b>
<b>Other Bank Balances</b>		
- in Deposit accounts	8,708,435	14,626,185
- in Dividend accounts	626,861	539,843
<b>Total other bank balances (B)</b>	<b>9,335,296</b>	<b>15,166,028</b>
<b>Total (A+B)</b>	<b>100,499,597</b>	<b>47,500,429</b>

**19. Short Term Loans & Advances**

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Loans and advances - Unsecured Considered Good</b>		
Advance to suppliers	36,183,411	5,789,353
Excise duty & service tax receivables	59,716,978	48,712,441
Income tax receivables	1,774,086	1,774,086
Other loans & advances	15,031,171	16,685,627
Loan & advance to related parties	16,726	-
<b>Total</b>	<b>112,722,372</b>	<b>72,961,507</b>

**20. Other Current Assets**

(Amount in Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Interest receivable on fixed deposit	1,078,273	1,947,468
<b>Total</b>	<b>1,078,273</b>	<b>1,947,468</b>

**21. Revenue from Operations**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>Sale of products</b>		
- Manufactured goods	3,174,882,692	2,713,865,093
- Stock-in-trade	1,963,317,532	1,928,718,625
<b>Sale of services</b>		
- Labour charges	1,210,909	7,318,495
<b>Other operating revenues</b>		
Scrap sale	4,091,595	4,877,960
Die & tool sale	918,186	25,204,444
<b>Gross sales and services</b>	<b>5,144,420,914</b>	<b>4,679,984,617</b>
Less : Excise duty	378,324,524	351,463,661
<b>Total</b>	<b>4,766,096,390</b>	<b>4,328,520,956</b>

# Lumax Auto Technologies Limited

## Details of Goods Sold

Particulars	(Amount in Rs.)	
	Year ended March 31, 2014	Year ended March 31, 2013
<b>Finished goods sold</b>		
Head lamp	442,419,333	446,919,330
Tail lamp	70,389,692	62,634,540
Frame chassis	759,558,560	742,937,157
Seat frame	129,404,086	138,336,025
Adjustor motor	469,313,520	509,400,075
Others	952,476,147	503,619,843
<b>Sub-Total [A]</b>	<b>2,823,561,338</b>	<b>2,403,846,970</b>
<b>Traded goods sold</b>		
Head lamp	706,032,319	887,927,643
Tail lamp	211,266,255	238,748,763
Steel sheet	120,445,301	173,304,865
Steel tube	30,529,800	25,279,131
Plastics powder	9,627,535	8,669,680
Others	858,869,777	553,852,135
<b>Sub-Total [B]</b>	<b>1,936,770,987</b>	<b>1,887,782,217</b>
<b>Others</b>		
Labour charges	1,210,909	7,318,495
Scrap sales	3,756,039	4,397,815
Die & tool sale	797,117	25,175,459
<b>Sub-Total [C]</b>	<b>5,764,065</b>	<b>36,891,769</b>
<b>Total</b>	<b>4,766,096,390</b>	<b>4,328,520,956</b>

## 22. Other Income

Particulars	(Amount in Rs.)	
	Year ended March 31, 2014	Year ended March 31, 2013
Interest income	4,138,550	7,005,579
Dividend Income	2,362,500	3,150,000
Other non-operating income (net of expenses directly attributable to such income)		
- Discount received	5,769,426	2,335,826
- Miscellaneous balances/ Previous year balance written back	290,055	3,049,478
- Miscellaneous Income	102,568	1,356,741
Net gain on foreign currency transaction and translation	8,526,819	1,472,435
<b>Total</b>	<b>21,189,918</b>	<b>18,370,059</b>

## 23. Cost of Materials Consumed

Particulars	(Amount in Rs.)	
	Year ended March 31, 2014	Year ended March 31, 2013
<b>Raw material consumed</b>		
Opening inventory	65,953,004	70,565,561
Add : Purchases (net)	2,153,124,854	1,776,109,193
Less : Inventory at the end of the year	72,483,262	65,953,004
<b>Cost of raw materials consumed during the year</b>	<b>2,146,594,596</b>	<b>1,780,721,750</b>

**Break Up of Raw Material, Spares parts and Components Consumed**

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Imported	31,353,557	25,610,270
Indigeneous	2,115,241,039	1,755,111,480
<b>Total</b>	<b>2,146,594,596</b>	<b>1,780,721,750</b>
% Distribution		
Imported	1.46	1.44
Indigeneous	98.54	98.56
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

**Details for Consumption of raw materials**

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Steel sheet	107,763,236	12,961,355
Steel tube	212,417,442	226,889,400
Plastic powder	301,350,493	64,392,415
Recliner	14,070,532	-
Others	1,510,992,893	1,476,478,580
<b>Total</b>	<b>2,146,594,596</b>	<b>1,780,721,750</b>

**24. Changes in Inventories :**

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>(Increase)/Decrease in Stocks</b>		
Stock at the end of the year:		
Manufactured goods & traded goods	120,646,897	90,396,729
Goods in transit of manufactured goods & stock in trade	8,051,754	8,629,238
Work-in progress	16,069,566	7,076,002
<b>Total A</b>	<b>144,768,217</b>	<b>106,101,969</b>
Less: Stock at the beginning of the year:		
Manufactured goods & traded goods	90,396,729	54,724,091
Goods in transit of manufactured goods & stock in trade	8,629,238	5,482,149
Work-in progress	7,076,002	5,925,643
<b>Total B</b>	<b>106,101,969</b>	<b>66,131,883</b>
<b>(Increase)/Decrease in stocks (B-A)</b>	<b>(38,666,248)</b>	<b>(39,970,086)</b>

**25. Manufacturing Expenses**

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Consumables	42,692,592	68,290,756
Packing material	28,234,406	24,973,270
Job-work	75,762,718	40,249,793
Electricity, light & power	45,657,841	28,141,019
Freight and cartage	18,459,549	16,985,427
Water charges	2,574,422	1,064,569
Repairs & Maintenance - plant & machinery	9,572,108	4,331,577
Miscellaneous manufacturing expenses	2,967,972	3,722,224
<b>Total</b>	<b>225,921,608</b>	<b>187,758,635</b>

# Lumax Auto Technologies Limited

## 26. Employee Benefit Expenses

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Salaries & wages	305,807,867	236,426,533
Bonus	5,545,747	3,976,189
Provident fund contribution	12,450,703	8,909,783
Welfare expenses	13,923,514	9,241,354
E.S.I. contribution	791,301	837,432
Gratuity	7,777,403	3,895,898
Directors' remuneration including commission	22,591,961	20,706,972
<b>Total</b>	<b>368,888,496</b>	<b>283,994,161</b>

## 27. Finance Costs

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Interest on term loans	29,793,286	-
Interest on working capital advance	1,458,338	-
Interest paid to others	1,417,623	1,448,855
Finance charges	-	101,875
<b>Total</b>	<b>32,669,247</b>	<b>1,550,730</b>

## 28. Other Expenses

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Rent	16,176,478	7,154,480
Rates & taxes	4,143,249	4,319,460
Repairs to buildings	669,542	3,229,147
Repairs others	7,056,459	3,313,150
Insurance charges	3,244,342	2,256,064
Travelling & conveyance	20,503,828	11,198,868
Security charges	8,592,945	5,716,362
Printing & stationery	2,056,094	2,064,691
Postage & telephones	4,263,740	3,138,191
Office expenses	416,600	286,104
Advertisement	3,047,988	4,484,857
Vehicle expenses	2,742,579	2,104,122
Legal & professional fees	5,061,736	8,840,779
Carriage outward	103,537,997	87,011,452
Miscellaneous expenses	11,077,967	8,341,554
Excise duty on finished goods/SIT (Closing stock)	1,978,624	-
Meeting fees	318,000	47,500
Breakage & sales incentive	24,484,696	22,569,726
Discounts	20,326,358	17,827,157
Commission to selling agent	1,976,583	1,690,974
Royalty	355,048	552,959
Bank charges	1,008,460	1,022,286
Bad & doubtful debts/advances written off	70,554	101,547
Provision for doubtful debts/advances (Net)	-	203,060
<b>Payments to the auditor</b>		
(a) as auditor	750,000	600,000
(b) for taxation matters	120,000	120,000
(c) for other services	79,500	79,500
<b>Total</b>	<b>244,059,367</b>	<b>198,273,990</b>

**29. Exceptional Items**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Loss/(Profit) on Sale of assets	(2,813,254)	47,335
<b>Total</b>	<b>(2,813,254)</b>	<b>47,335</b>

**30. Gratuity and Other Post-employment Benefit Plans :**

Liability for employee benefits has been determined by an actuary, in conformity with the principles set out in the accounting Standard 15 (revised) which are as hereunder :

(a) During the year, the Company has recognized the following amounts in the statement of Profit and Loss

**Defined Contribution Plans**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Employer's Contribution to Provident Fund	<b>12,450,703</b>	8,909,783
Employer's Contribution to Employee State Insurance	<b>791,301</b>	837,432

**Defined Benefit Plans**

(Amount in Rs.)

Particulars	Gratuity year ended March 31, 2014	Gratuity year ended March 31, 2013	Leave encashment year ended March 31, 2014	Leave encashment year ended March 31, 2013
Current service cost	<b>4,191,540</b>	2,810,136	<b>3,289,378</b>	2,147,904
Interest	<b>2,201,817</b>	1,953,309	<b>1,088,305</b>	885,701
Expected return on plan assets	<b>(2,332,446)</b>	(2,050,233)	<b>(953,697)</b>	(787,798)
Actuarial (gain)/loss	<b>4,775,995</b>	1,035,595	<b>702,514</b>	324,292
Settlement cost / ( Credit )	<b>436,785</b>	-	<b>116,284</b>	-
Short term	-	-	-	-
<b>Net cost</b>	<b>9,273,691</b>	3,748,807	<b>4,242,784</b>	2,570,099

(b) The assumptions used to determine the benefit obligations are as follows :

(in %)

Particulars	Gratuity year ended March 31, 2014	Gratuity year ended March 31, 2013	Leave encashment year ended March 31, 2014	Leave encashment year ended March 31, 2013
Discount rate	<b>9.20</b>	8.00	<b>9.20</b>	8.00
Expected rate of increase in compensation levels	<b>9.00</b>	6.50	<b>9.00</b>	6.50
Expected rate of return on plan assets	<b>9.00</b>	9.00	<b>9.00</b>	9.00
Expected average remaining working lives of employees (years)	<b>9.93</b>	9.17	<b>9.93</b>	9.17

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## (c) Reconciliation of opening and closing balances of benefit obligations and plan assets :

(Amount in Rs.)

Particulars	Gratuity year ended March 31, 2014	Gratuity year ended March 31, 2013	Leave encashment year ended March 31, 2014	Leave encashment year ended March 31, 2013
Change in projected benefit obligation (PBO)				
Projected benefit obligation at beginning of the year	28,455,953	23,226,466	13,728,323	10,541,956
Current service cost	4,191,540	2,810,136	3,289,378	2,147,904
Interest cost	2,201,817	1,953,309	1,088,305	885,701
Benefit paid	(1,123,215)	(492,715)	(119,002)	(243,890)
Actuarial (gain)/Loss	4,707,910	958,757	713,688	396,652
<b>Projected benefit obligation at year end &amp; change in plan assets:</b>				
Present value of obligation at year end	38,434,005	28,455,953	18,700,692	13,728,323
Fair value of plan assets at year end long term	36,947,443	26,328,934	18,440,665	10,093,642
Net funded status of the plan	1,486,562	2,127,019	260,027	3,634,681
Net amount recognized	(1,486,562)	(2,127,019)	(260,027)	(3,634,681)

## 31. Capital Commitments

(Rs. in Lacs)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for [Net of advance paid Rs. 213.73 Lacs (previous year Rs. 1875.10 Lacs)]	223.55	2,558.96

## 32. Contingent Liabilities

(Rs. in Lacs)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Income Tax Dispute is pending for A.Y. 2010-2011 from Commissioner of Income Tax (Appeal) as per Income Tax Act. 1961*	1.18	1.18
Deputy Commissioner Central excise Pune for Disallowing of Cenvat Credit for Business Support services, Jobwork Credits and Trading Sales activity* #	-	28.96
(#Includes amount for the periods for which orders not received but similar transactions have taken place)		

\* Based on the favourable decisions in similar cases/advice taken by the Company, the Company believes that it has good cases in respect of these items mentioned above and hence no provision there against is considered necessary.

## 33. Particulars in respect of Purchase of stock-in-trade

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Head Lamp	712,965,874	712,680,741
Tail Lamp	215,993,753	181,216,551
Others	575,180,097	674,105,589
	1,504,139,724	1,568,002,881

**34. Value of Imports calculated on CIF :**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Raw material & components	40,355,032	52,311,516
Capital goods & accessories [ Include Capital W.I.P.]	134,563,470	137,081,074

**35. Earning & Expenditure in Foreign Currency (on Accrual Basis)**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>Expenditure in Foreign currency</b>		
Travelling	811,282	2,576,718
Commission to agents	680,344	948,110
Royalty	355,048	552,959
Total	1,846,674	4,077,787
<b>Earning in foreign currency</b>		
Export of finished goods at F.O.B. value	87,627,856	84,998,397

**36. Net Dividend remitted in Foreign Exchange**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Period to which it related	2012-13	2011-2012
Number of non-resident shareholders	2	2
Number of Equity Shares held on which dividend was due	124,210	124,210
Amount remitted	745,260	745,260
Amount remitted(USD)	13,146	13,146

**37. Total Expenditure incurred on Research and Development :**

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Expenditure charged to the statement of Profit and Loss	2,969,988	2,739,624
Expenditure capitalised during the year	Nil	Nil

**38. Details of unhedged foreign currency**

	Foreign currency		INR (Rs.)	
Particulars	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2013
<b>Trade Payable</b>				
US \$	2,039,656	1,978,516	134,640,526	107,979,012
Euro	23,234	102,784	1,999,667	7,172,205
<b>Trade Receivable</b>				
US \$	145,661	-	8,767,749	-
Euro	-	-	-	-

# Lumax Auto Technologies Limited

## 39. Details of Expenses debited as Preoperative expenses

(Amount in Rs.)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Pre-operative Expenses	40,462,489	3,511,643

## 40. Details of Related party Transactions

- (A) Subsidiary
- (i) Lumax DK Auto Industries Limited
  - (ii) Lumax Mannoh Allied Technologies Limited
- (B) Key Management Personnel
- (i) Mr. D.K. Jain ( Husband of Mrs. Usha Jain & Father of Mr. Anmol Jain ) ( w.e.f. - 07/08/2013 )
  - (ii) Mr. Anmol Jain ( Son of Mr. D.K. Jain & Mrs. Usha Jain ) ( w.e.f. - 07/08/2013 )
  - (iii) Mrs. Usha Jain ( Wife of Mr. D. K. Jain & Mother of Mr. Anmol Jain ) (Till 06/08/2013 )
- (C) Relative of Key Management Personnel
- (i) Mr. Deepak Jain ( Son of Mr. D.K. Jain, Brother of Mr. Anmol Jain)
  - (ii) Mrs. Shivani Jain ( Wife of Mr. Anmol Jain)
- (D) Enterprises Owned or Significantly Influenced by Key Management Personnel
- (i) Lumax Industries Limited
  - (ii) Lumax Finance Private Limited
  - (iii) Lumax Ancillary Limited
  - (iv) Lumax Automotive System Limited
  - (v) Lumax Filters Limited
  - (vi) Mahavir Udyog
  - (vii) D. K. Jain & Sons ( HUF)
  - (viii) Lumax International Private Limited
  - (ix) Bharat Enterprises
  - (x) D. K. Jain Family Trust
  - (xi) Lumax Tours & Travels Limited
  - (xii) Vardhman Agencies Private Limited
- (E) Joint Venture
- (i) Lumax Cornaglia Auto Technologies Private Limited
  - (ii) Lumax Gill- Austem Auto Technologies Private Limited

#### 40.1. Detail of Related Parties Transactions for the Financial Year 2013-14

(Amount in Rs.)

S No.	Account Head	Subsidiary		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
A)	<b>TRANSACTIONS</b>												
	<b>Sale of Raw Materials and Components</b>												
	Lumax DK Auto Industries Ltd.	1,982,813	13,748,687	-	-	-	-	-	-	-	-	1,982,813	13,748,687
	Lumax Industries Ltd.	-	-	-	-	-	-	81,904	588,125	-	-	81,904	588,125
	Lumax Ancillary Ltd.	-	-	-	-	-	-	5,483,178	2,606,928	-	-	5,483,178	2,606,928
	<b>Total</b>	<b>1,982,813</b>	<b>13,748,687</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,565,082</b>	<b>3,195,053</b>	<b>-</b>	<b>-</b>	<b>7,547,895</b>	<b>16,943,740</b>
	<b>Sale of Finished Goods</b>												
	Lumax DK Auto Industries Ltd.	1,589,209	1,263,973	-	-	-	-	-	-	-	-	1,589,209	1,263,973
	Lumax Industries Ltd.	-	-	-	-	-	-	770,905,094	819,293,452	-	-	770,905,094	819,293,452
	Lumax Ancillary Ltd.	-	-	-	-	-	-	10,619,253	7,660,259	-	-	10,619,253	7,660,259
	<b>Total</b>	<b>1,589,209</b>	<b>1,263,973</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>781,524,347</b>	<b>826,953,711</b>	<b>-</b>	<b>-</b>	<b>783,113,556</b>	<b>828,217,684</b>
	<b>Job Work/others</b>												
	Lumax Industries Ltd.	-	-	-	-	-	-	-	1,332,400	-	-	-	1,332,400
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,332,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,332,400</b>
	<b>Purchases of Raw Materials and Components</b>												
	Lumax DK Auto Industries Ltd.	332,319	2,244,652	-	-	-	-	-	-	-	-	332,319	2,244,652
	Bharat Enterprises	-	-	-	-	-	-	14,457,219	22,379,250	-	-	14,457,219	22,379,250
	Lumax Industries Ltd.	-	-	-	-	-	-	52,781,731	72,005,092	-	-	52,781,731	72,005,092
	Lumax Ancillary Ltd.	-	-	-	-	-	-	245,440,119	181,208,992	-	-	245,440,119	181,208,992
	<b>Total</b>	<b>332,319</b>	<b>2,244,652</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>312,679,069</b>	<b>275,593,334</b>	<b>-</b>	<b>-</b>	<b>313,011,388</b>	<b>277,837,986</b>
	<b>Purchases of Finished Goods</b>												
	Lumax DK Auto Industries Ltd.	6,856,279	2,868,273	-	-	-	-	-	-	-	-	6,856,279	2,868,273
	Bharat Enterprises	-	-	-	-	-	-	316,370	-	-	-	316,370	-
	Lumax Industries Ltd.	-	-	-	-	-	-	515,008,270	473,181,032	-	-	515,008,270	473,181,032
	Lumax Ancillary Ltd.	-	-	-	-	-	-	18,119,303	12,947,363	-	-	18,119,303	12,947,363
	<b>Total</b>	<b>6,856,279</b>	<b>2,868,273</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>533,443,943</b>	<b>486,128,395</b>	<b>-</b>	<b>-</b>	<b>540,300,222</b>	<b>488,996,668</b>
	<b>Purchases of other &amp; Jobwork</b>												
	Lumax DK Auto Industries Ltd.	1,604,032	-	-	-	-	-	-	-	-	-	1,604,032	-
	Lumax Industries Ltd.	-	-	-	-	-	-	2,097,637	584,759	-	-	2,097,637	584,759
	Lumax Ancillary Ltd.	-	-	-	-	-	-	5,585	-	-	-	5,585	-
	Lumax Cornaglia Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	1,512	-	1,512	-
	Lumax Tours & Travels Ltd.	-	-	-	-	-	-	4,911,932	4,208,585	-	-	4,911,932	4,208,585
	<b>Total</b>	<b>1,604,032</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,015,154</b>	<b>4,793,344</b>	<b>1,512</b>	<b>-</b>	<b>8,620,698</b>	<b>4,793,344</b>
	<b>Purchases of Packing Materials</b>												
	Mahavir Udyog	-	-	-	-	-	-	676,209	657,575	-	-	676,209	657,575
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>676,209</b>	<b>657,575</b>	<b>-</b>	<b>-</b>	<b>676,209</b>	<b>657,575</b>
	<b>Sale of Capital Goods</b>												
	Lumax Industries Ltd.	-	-	-	-	-	-	139,277	732,798	-	-	139,277	732,798
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>139,277</b>	<b>732,798</b>	<b>-</b>	<b>-</b>	<b>139,277</b>	<b>732,798</b>
	<b>Purchases of Capital Goods (Moulds)</b>												
	Lumax Industries Ltd.	-	-	-	-	-	-	78,744,366	3,614,956	-	-	78,744,366	3,614,956
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>78,744,366</b>	<b>3,614,956</b>	<b>-</b>	<b>-</b>	<b>78,744,366</b>	<b>3,614,956</b>
	<b>Lease Rent</b>												
	Mrs. Usha Jain	-	-	2,148,000	2,052,000	-	-	-	-	-	-	2,148,000	2,052,000
	Lumax Industries Ltd.	-	-	-	-	-	-	2,774,437	2,879,671	-	-	2,774,437	2,879,671
	Lumax DK Auto Industries Ltd.	1,601,809	108,000	-	-	-	-	-	-	-	-	1,601,809	108,000
	<b>Total</b>	<b>1,601,809</b>	<b>108,000</b>	<b>2,148,000</b>	<b>2,052,000</b>	<b>-</b>	<b>-</b>	<b>2,774,437</b>	<b>2,879,671</b>	<b>-</b>	<b>-</b>	<b>6,524,246</b>	<b>5,039,671</b>
	<b>Managerial Remuneration</b>												
	Mr. Anmol Jain	-	-	2,402,826	-	-	-	-	-	-	-	2,402,826	-
	Mr. D.K. Jain	-	-	6,955,548	-	-	-	-	-	-	-	6,955,548	-
	Mrs. Usha Jain	-	-	910,336	17,223,650	-	-	-	-	-	-	910,336	17,223,650
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>10,268,710</b>	<b>17,223,650</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,268,710</b>	<b>17,223,650</b>
	<b>Provident Fund &amp; Perquisites</b>												
	Mr. Anmol Jain	-	-	404,756	-	-	-	-	-	-	-	404,756	-
	Mr. D.K. Jain	-	-	2,036,676	-	-	-	-	-	-	-	2,036,676	-
	Mrs. Usha Jain	-	-	2,806,819	192,961	-	-	-	-	-	-	2,806,819	192,961
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,248,251</b>	<b>192,961</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,248,251</b>	<b>192,961</b>

# Lumax Auto Technologies Limited

(Amount in Rs.)

S No.	Account Head	Subsidiary		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		TOTAL	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	<b>Commission Paid</b>												
	Mr. Anmol Jain	-	-	3,737,750	-	-	1,741,661	-	-	-	-	3,737,750	1,741,661
	Mr. D.K. Jain	-	-	886,500	-	-	1,741,661	-	-	-	-	886,500	1,741,661
	Mr. Deepak Jain	-	-	-	-	2,450,750	-	-	-	-	-	2,450,750	-
	<b>Total</b>	-	-	4,624,250	-	2,450,750	3,483,322	-	-	-	-	7,075,000	3,483,322
	<b>Dividend Paid</b>												
	Mr. Anmol Jain	-	-	-	-	5,173,440	5,173,440	-	-	-	-	5,173,440	5,173,440
	Mr. D.K. Jain	-	-	-	-	9,931,542	11,281,542	-	-	-	-	9,931,542	11,281,542
	Mr. Deepak Jain	-	-	-	-	5,487,912	5,487,912	-	-	-	-	5,487,912	5,487,912
	Mrs. Usha Jain	-	-	2,782,272	2,782,272	-	-	-	-	-	-	2,782,272	2,782,272
	Mrs. Shivani Jain	-	-	-	-	270,000	270,000	-	-	-	-	270,000	270,000
	D.K.Jain Family Trust	-	-	-	-	-	-	244,740	244,740	-	-	244,740	244,740
	D.K.Jain And Sons (HUF)	-	-	-	-	-	-	7,085,826	7,085,826	-	-	7,085,826	7,085,826
	Lumax Finance Pvt. Ltd.	-	-	-	-	-	-	14,533,584	9,724,284	-	-	14,533,584	9,724,284
	Vardhman Agencies Pvt. Ltd.	-	-	-	-	-	-	22,680	25,560	-	-	22,680	25,560
	<b>Total</b>	-	-	2,782,272	2,782,272	20,862,894	22,212,894	21,886,830	17,080,410	-	-	45,531,996	42,075,576
	<b>Dividend Received</b>												
	Lumax Industries Ltd.	-	-	-	-	-	-	2,362,500	3,150,000	-	-	2,362,500	3,150,000
	<b>Total</b>	-	-	-	-	-	-	2,362,500	3,150,000	-	-	2,362,500	3,150,000
<b>B)</b>	<b>BALANCE AT THE YEAR END</b>												
	<b>Receivables</b>												
	Lumax Gill-Austem Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	16,726	-	16,726	-
	Lumax Industries Ltd.	-	-	-	-	-	-	263,751,271	292,379,269	-	-	263,751,271	292,379,269
	Lumax DK Auto Industries Ltd.	355,216	1,365,203	-	-	-	-	-	-	-	-	355,216	1,365,203
	Lumax Ancillary Ltd.	-	-	-	-	-	-	6,359,008	2,759,083	-	-	6,359,008	2,759,083
	<b>Total</b>	355,216	1,365,203	-	-	-	-	270,110,279	295,138,352	16,726	-	270,482,221	296,503,555
	<b>Security Deposit</b>												
	Lumax Industries Ltd.	-	-	-	-	-	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
	Lumax Industries Ltd-Maximum Amount Outstanding During the Year	-	-	-	-	-	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
	<b>Total</b>	-	-	-	-	-	-	25,000,000	25,000,000	-	-	25,000,000	25,000,000
	<b>Warranty Claim</b>												
	Lumax Industries Ltd.	-	-	-	-	-	-	182,509	-	-	-	182,509	-
	<b>Total</b>	-	-	-	-	-	-	182,509	-	-	-	182,509	-
	<b>Investment</b>												
	Lumax Gill-Austem Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	50,000	-	50,000	-
	Lumax Mannoh Allied Technologies Ltd.	456,266	-	-	-	-	-	-	-	-	-	456,266	-
	Lumax Industries Ltd.	-	-	-	-	-	-	193,783,106	193,783,106	-	-	193,783,106	193,783,106
	Lumax DK Auto Industries Ltd.	12,365,947	12,722,220	-	-	-	-	-	-	-	-	12,365,947	12,722,220
	Lumax Comaglia Auto Technologies Pvt. Ltd.	-	-	-	-	-	-	-	-	56,471,366	56,471,366	56,471,366	56,471,366
	<b>Total</b>	12,822,213	12,722,220	-	-	-	-	193,783,106	193,783,106	56,521,366	56,471,366	263,126,685	262,976,692
	<b>Total ( Receivable)</b>	13,177,429	14,087,423	-	-	-	-	489,075,894	513,921,458	56,538,092	56,471,366	558,791,415	584,480,247
	<b>Payables</b>												
	Bharat Enterprises	-	-	-	-	-	-	2,195,281	5,653,213	-	-	2,195,281	5,653,213
	Lumax Ancillary Ltd.	-	-	-	-	-	-	88,784,625	64,186,657	-	-	88,784,625	64,186,657
	Lumax DK Auto Industries Ltd.	2,251,104	1,471,723	-	-	-	-	-	-	-	-	2,251,104	1,471,723
	Lumax Industries Ltd.	-	-	-	-	-	-	176,990,143	145,002,775	-	-	176,990,143	145,002,775
	Lumax Tours & Travels Ltd.	-	-	-	-	-	-	415,436	541,653	-	-	415,436	541,653
	Mahavir Udyog	-	-	-	-	-	-	157,872	179,615	-	-	157,872	179,615
	Mr. Anmol Jain	-	-	3,737,750	-	-	1,741,661	-	-	-	-	3,737,750	1,741,661
	Mr. D.K. Jain	-	-	886,500	-	-	1,741,661	-	-	-	-	886,500	1,741,661
	Mr. Deepak Jain	-	-	-	-	2,450,750	-	-	-	-	-	2,450,750	-
	<b>Total</b>	2,251,104	1,471,723	4,624,250	-	2,450,750	3,483,322	268,543,357	215,563,913	-	-	277,869,461	220,518,958

\* Previous years figures have been recast / re-grouped wherever necessary, to make them comparable.  
As per our report of even date

**For D. R. Barve & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101034W**

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

**CA D. R. Barve**  
**Proprietor**  
**M. No. 17661**

**D. K. Jain**  
**Chairman**

**Anmol Jain**  
**Managing Director**

**Place : New Delhi**  
**Date : May 29, 2014**

**Ashish Dubey**  
**Head Finance**

**Pratik Dhuri**  
**Company Secretary**

**Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiaries**

(Amount in Rs.)

S. No.	Name of Subsidiary	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited
(A)	The "Financial Year" of the subsidiary Companies	01.04.2013 - 31.03.2014	01.10.2013 - 31.03.2014
(B)	Shares of the subsidiary held by the company on the above date: (a) Number and face value  (b) Extent of holding	4,240,313 Equity Shares of Rs. 10/- each fully paid up  100%	3,480,517 Equity Shares of Rs.10/- each fully paid up  100%
(C)	Net aggregate amount of profits/(losses) of the subsidiary for the above financial year of the subsidiary not dealt with in the company's accounts: (a) for the financial year of the subsidiary - Profit/(Loss)  (b) for the previous financial years since it become a subsidiary - Profit/(Loss)	128,178,156  1,130,194,823	17,018,224  -
(D)	Net aggregate amount of profits/(losses) of the subsidiary dealt with in the company's accounts: (a) for the financial year of the subsidiary - Profit/(Loss)  (b) for the previous financial years since it become a subsidiary - Profit/(Loss)	-  28,834,129	-  -

\* Lumax Mannoh Allied Technologies Limited (LMAT) became a subsidiary of the Company on July 22, 2013

As per our report of even date

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

**For D. R. Barve & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101034W**

**CA D. R. Barve**  
**Proprietor**  
**M. No. 17661**

**D. K. Jain**  
**Chairman**

**Anmol Jain**  
**Managing Director**

**Place : New Delhi**  
**Date : May 29, 2014**

**Ashish Dubey**  
**Head Finance**

**Pratik Dhuri**  
**Company Secretary**

## Auditors' Report on Accounts

To  
**The Board of Directors of  
Lumax Auto Technologies Limited  
Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of Lumax Auto Technologies Limited along with its subsidiaries viz. Lumax DK Auto Industries Limited & Lumax Mannoh Allied Technologies Limited and jointly controlled entities, viz. Lumax Cornaglia Auto Technologies Private Limited and Lumax Gill-Austem Auto Technologies Private Limited, (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements:

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with Accounting Principles generally accepted in India including the Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956 (the Act) (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control 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.

### Auditors' Responsibility:

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion:

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements of the subsidiaries and jointly controlled entities as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:  
(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;  
(b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and  
(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### Other Matters:

6. We did not audit the financial statements of the subsidiaries as well as the jointly controlled entities, whose financial statements reflect total assets (net) of Rs.185.86 crore as at March 31, 2014, total revenues (net) of Rs. 291.46 crore and net cash flows amounting to Rs. (1.67) crore for the year ended on that date. These financial statements have been audited by other independent auditors, whose reports have been furnished to us and our opinion, is based solely on the reports of the other independent auditors.
7. Without qualifying our opinion, we draw attention to Note No. 2.3 to the Consolidated Financial Statements regarding valuation of inventory of raw material, stores & spares.

During the year, the parent company has implemented SAP as ERP platform and the valuation of inventories of Raw Material, Stores and spares for the year is done on the basis of moving weighted average method instead of FIFO method applied in the earlier years. Had the company followed the same previous year method of Valuing Inventory of raw materials, stores and spares, the value of inventory would have been lower by Rs. 11.43 Lacs and consequently, profit for the year ended March 31, 2014 would have been lower by Rs. 11.43 Lacs. Further, previous year figures are not comparable to that extent.

**For D. R. Barve & Co.  
Chartered Accountants  
Firm Registration No. 101034W**

**CA. D. R Barve  
(Proprietor)  
Membership No.17661  
Place: New Delhi  
Date: May 29, 2014**

**Consolidated Balance Sheet as at March 31, 2014**

(Amount in Rs. )

Particulars	Note No.	As at March 31, 2014	As at March 31, 2013
<b>Equity &amp; Liabilities</b>			
<b>Shareholders' funds</b>			
(a) Share capital	3	136,315,410	136,315,410
(b) Reserves and surplus	4	2,123,194,319	1,976,631,828
		<u>2,259,509,729</u>	<u>2,112,947,238</u>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	5	385,438,969	258,388,769
(b) Deferred tax liabilities (Net)	6	143,730,898	101,212,907
(c) Other Long term liabilities	7	54,189,208	49,115,147
		<u>583,359,075</u>	<u>408,716,823</u>
<b>Current liabilities</b>			
(a) Short-term borrowings	8	2,461,846	1,833,438
(b) Trade payables	9	1,429,972,889	1,240,033,743
(c) Other current liabilities	10	219,712,228	381,011,825
(d) Short-term provisions	11	239,241,316	183,930,751
		<u>1,891,388,279</u>	<u>1,806,809,757</u>
<b>TOTAL</b>		<u><u>4,734,257,083</u></u>	<u><u>4,328,473,818</u></u>
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Fixed assets	12		
(i) Tangible assets		2,264,851,767	1,539,392,849
(ii) Intangible assets		27,219,216	90,035,172
(iii) Capital work-in-progress		59,195,177	376,403,685
(b) Non-current investments	13	193,784,106	193,784,106
(c) Long-term loans and advances	14	114,875,050	236,945,747
(d) Other non-current assets	15	125,530,043	110,722,852
		<u>2,785,455,359</u>	<u>2,547,284,411</u>
<b>Current assets</b>			
(a) Inventories	16	345,640,551	288,403,437
(b) Trade receivables	17	1,320,503,691	1,286,385,929
(c) Cash and Bank Balances	18	139,339,973	98,038,567
(d) Short-term loans and advances	19	141,583,341	105,220,229
(e) Other current assets	20	1,734,168	3,141,245
		<u>1,948,801,724</u>	<u>1,781,189,407</u>
<b>TOTAL</b>		<u><u>4,734,257,083</u></u>	<u><u>4,328,473,818</u></u>

See accompanying notes to the financial statements

31-45

As per our report of even date

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

**For D. R. Barve & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101034W**

**CA D. R. Barve**  
**Proprietor**  
**M. No. 17661**

**D. K. Jain**  
**Chairman**

**Anmol Jain**  
**Managing Director**

**Place : New Delhi**  
**Date : May 29, 2014**

**Ashish Dubey**  
**Head Finance**

**Pratik Dhuri**  
**Company Secretary**

# Lumax Auto Technologies Limited

## Consolidated Statement of Profit & Loss for the year ended March 31, 2014

(Amount in Rs. )

S. No.	Particulars	Note No.	For the year Ended March 31, 2014	For the year Ended March 31, 2013
I.	Revenue from operations (Gross )	21	8,136,378,798	8,156,279,949
	Less: Excise duty		508,809,500	493,239,360
	Revenue from operations (Net)		7,627,569,298	7,663,040,589
II.	Other income	22	37,676,758	36,771,220
III.	<b>Total Revenue (I + II)</b>		<b>7,665,246,056</b>	<b>7,699,811,809</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed	23	4,213,543,605	4,362,461,718
	Purchases of Stock-in-trade		1,539,633,618	1,597,748,470
	Changes in inventories of finished goods, work-in-progress and Stock-in-trade	24	(30,359,746)	(48,327,503)
	Manufacturing expenses	25	358,913,028	302,065,091
	Employee benefits expenses	26	585,966,843	482,960,630
	Finance costs	27	36,749,327	5,316,379
	Depreciation and amortization expenses		176,001,513	108,297,900
	Other expenses	28	329,714,671	274,131,753
	R&D expenses	29	25,581,176	20,973,956
	<b>Total expenses</b>		<b>7,235,744,035</b>	<b>7,105,628,394</b>
V.	Profit before exceptional and extraordinary items and tax (III-IV)		429,502,021	59,41,83,415
VI.	Exceptional items	30	415,061	160,914
VII.	Profit before extraordinary items and tax (V - VI)		429,086,960	594,022,501
VIII.	Profit before tax		429,086,960	594,022,501
IX.	Tax expense:			
	(1) Earlier Year's Tax		(307,402)	57,877
	(2) Provision for Tax (Under MAT)		87,192,694	-
	Less: Mat Credit Entitlement/(Utilisation)		4,571,126	-
	Net Current Tax Liability		82,621,568	-
	(3) Current Tax		2,125,500	145,746,896
	(4) Deferred Tax		42,517,993	37,558,604
X	<b>Profit for the period from continuing operations (VIII-IX)</b>		<b>302,129,301</b>	<b>410,659,124</b>
XI	<b>Profit for the period</b>		<b>302,129,301</b>	<b>410,659,124</b>
XII	<b>Earning per equity share:</b>			
	(1) Weighted Average number of Equity Shares outstanding during the year		13,631,541	13,631,541
	(2) Nominal Value per share		10	10
	(3) Basic & Diluted Earning per share		22.16	30.13
	<i>See accompanying notes to the financial statements</i>	31-45		

As per our report of even date

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

**For D. R. Barve & Co.**  
Chartered Accountants  
Firm Registration No. 101034W

CA D. R. Barve  
Proprietor  
M. No. 17661

D. K. Jain  
Chairman

Anmol Jain  
Managing Director

Place : New Delhi  
Date : May 29, 2014

Ashish Dubey  
Head Finance

Pratik Dhuri  
Company Secretary

**Consolidated Cash Flow Statement for the year ended March 31, 2014**

(Amount in Rs. )

S. No.	Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
<b>A.</b>	<b>Cash Flow From Operating Activities :</b>		
	<b>Profit Before Tax</b>	<b>429,086,960</b>	<b>594,022,501</b>
	Adjustments For:		
	Depreciation and amortisation of assets	<b>176,001,513</b>	<b>108,297,900</b>
	Loss/(Profit) on sale of fixed assets	<b>415,061</b>	<b>160,914</b>
	Dividend/ Interest income	<b>(7,274,869)</b>	<b>(15,688,662)</b>
	Interest expenses	<b>36,749,327</b>	<b>5,316,379</b>
	Rent received	<b>(11,086,800)</b>	<b>(8,360,100)</b>
	Operating Profit Before working Capital changes	<b>623,891,192</b>	<b>683,748,932</b>
	Adjustments For:		
	Inventories	<b>(57,237,114)</b>	<b>(62,591,196)</b>
	Trade & other receivables	<b>(34,117,762)</b>	<b>(42,832,097)</b>
	Trade & other payables	<b>81,423,669</b>	<b>279,526,186</b>
	Other loan & advance (Net)	<b>79,176,398</b>	<b>(178,050,924)</b>
	Cash generated from operations	<b>693,136,383</b>	<b>679,800,901</b>
	Direct taxes paid	<b>(89,418,486)</b>	<b>(151,241,997)</b>
	Tax related expenses	<b>70,090</b>	<b>-</b>
	Creditors for Capital goods written back	<b>6,268,708</b>	<b>-</b>
	<b>Net Cash from Operating Activities</b>	<b>610,056,695</b>	<b>528,558,904</b>
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of fixed assets	<b>(910,148,763)</b>	<b>(556,667,013)</b>
	Proceeds from sales of fixed assets	<b>8,021,753</b>	<b>19,485,952</b>
	Dividend / Interest received	<b>7,274,869</b>	<b>15,539,296</b>
	Rent received	<b>11,086,800</b>	<b>8,360,100</b>
	Decrease/ (Increase) in Capital W.I.P.	<b>317,208,508</b>	<b>(311,585,179)</b>
	Investment in Stanley Electric Engg. India Pvt. Ltd.	<b>-</b>	<b>(143,367,207)</b>
	<b>Net Cash from Investing Activities</b>	<b>(566,556,833)</b>	<b>(968,234,051)</b>
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Increase/(Decrease) in Borrowings	<b>127,050,200</b>	<b>251,544,698</b>
	Interest paid	<b>(36,749,327)</b>	<b>(5,126,332)</b>
	Dividend paid	<b>(81,789,246)</b>	<b>(81,655,280)</b>
	Tax on distributed profits	<b>(13,900,083)</b>	<b>(13,268,260)</b>
	Capital incentive received	<b>3,190,000</b>	<b>-</b>
	<b>Net Cash from Financing Activities</b>	<b>(2,198,456)</b>	<b>151,494,826</b>
	Net Increase / (Decrease) in cash & cash equivalents	<b>41,301,406</b>	<b>(288,180,321)</b>
	Cash & cash equivalents at the beginning of the year	<b>98,038,567</b>	<b>386,218,888</b>
	Cash & cash equivalents at the end of the year	<b>139,339,973</b>	<b>98,038,567</b>

As per our report of even date

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

**For D. R. Barve & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101034W**

**CA D. R. Barve**  
**Proprietor**  
**M. No. 17661**

**D. K. Jain**  
**Chairman**

**Anmol Jain**  
**Managing Director**

**Place : New Delhi**  
**Date : May 29, 2014**

**Ashish Dubey**  
**Head Finance**

**Pratik Dhuri**  
**Company Secretary**

## Notes to Consolidated Financial Statements

### Note No.

#### 1 Information regarding Holding Company, its Subsidiaries & Joint Venture Companies

Lumax Auto Technologies Limited (Holding Company) is a Public Limited company located in India and incorporated under the Companies Act, 1956. The shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) of India Ltd.

Lumax DK Auto Industries Limited and Lumax Mannoh Allied Technologies Limited are the 100% subsidiary companies of Lumax Auto Technologies Limited. Lumax Cornaglia Auto Technologies Private Limited and Lumax Gill-Austem Auto Technologies Private Limited are the 50 % Joint Venture Companies of Lumax Auto Technologies Limited. Lumax Cornaglia Auto Technologies Private Limited is an SMC as defined in the general instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the company has complied with the Accounting Standards as applicable to an SMC. These companies are engaged in manufacturing and selling of Automotive Components.

#### Principles of Consolidation :

The Financial Statements of the Holding Company and its Subsidiaries (Lumax DK Auto Industries Limited and Lumax Mannoh Allied Technologies Private Limited) have been consolidated on a line by line basis by adding together the book values of like items of Assets, Liabilities, Income and Expenses, after eliminating intra-group balances, intra-group transactions and any unrealized gains/losses on balances remaining with the group in accordance with the Accounting Standard (AS-21) "Consolidated Financial Statements".

Interest in its 50% Joint Venture (Lumax Cornaglia Auto Technologies Pvt. Limited) have been accounted by using the proportionate consolidation method as per Accounting Standard (AS-27) "Financial Reporting of Interest in Joint Ventures".

The Financial Statements of the holding company, its subsidiary companies and joint venture companies have been consolidated by using uniform accounting policies for transactions and other events in similar circumstances, except valuation of inventory and accounting for preliminary/pre-operative expenses.

The excess of equity capital in the subsidiary company over and above the cost to the holding company towards investment in the subsidiary company is recognized in the consolidated financial statement as "Capital Reserve".

#### 2 Significant Accounting Policies

##### 2.01 Basis of preparation

These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ( Indian GAAP ) under the historical cost convention on accrual basis. These consolidated financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 213 (C) of Companies Act , 1956 and companies ( Accounting Standards ) Rules,2006 as amended, and the other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI of the Companies Act, 1956. The Company has ascertained its operating cycle as 12 months for the purpose of current - non current classification of assets and liabilities.

##### 2.02 Use of Estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on management's best knowledge of current events & actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. These differences between actuals & estimates are recognized in the period in which the results are known/materialized.

##### 2.03 Inventories

- a) Raw Materials and components, Stores & Spares (Including Packing Materials), stock-in-trade (Including Moulds & Dies) - Valued at lower of landed cost (net of taxation credits, if any) and net realizable Value\*, after making provision for obsolescence wherever necessary.

Cost comprises cost of purchase & other costs incurred in bringing them to their respective present location and condition and is determined on First-in-First-Out (FIFO) basis for holding company & joint venture company. In case of subsidiary company, cost is determined on weighted average basis or net realisable value whichever is lower.

**b) Work-in-Progress, Finished Goods -**

Valued at lower of cost and Net Realisable Value \*, after making provision for obsolescence wherever necessary.

Cost of Work-in-Progress & Finished Goods include Direct Material, Labour and proportion of manufacturing overheads. In case of Subsidiary company, value of work in progress is determined on weighted average basis or net realisable value whichever is lower.

**c) Scrap -**

At Net Realisable Value \*.

**2.04 Cash & Cash Equivalents**

In the consolidated cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

**Consolidated Cash Flow Statement**

Consolidated Cash Flow Statement has been prepared by following the indirect method set out in the Accounting Standard - 3 on "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

**2.05 Events Subsequent to the Balance Sheet Date**

Events subsequent to the Balance Sheet Date, which have a material impact on the financial affairs, are taken into cognizance while presenting the Consolidated Financial Statements.

**2.06 Prior Period and Extraordinary Items**

Prior period and extraordinary items and changes in accounting policies having a material impact on the financial affairs are disclosed, wherever required.

**2.07 Depreciation & Amortization of Tangible & Intangible Assets :**

Depreciation is provided on a pro-rata basis on the straight-line method as per the rates prescribed under Schedule XIV of the Companies Act, 1956, read with relevant circulars issued by the department of Company Affairs from time to time.

Depreciation on additions to / deletions from Tangible fixed assets made during the year is provided on pro-rata basis from / upto the date of such additions / deletions, as the case may be.

Intangible Assets are Amortized as follows:

- a) Leasehold land : Over the Period of Lease.
- b) Specialized software : Over the Estimated Economic useful life.
- c) Technical Knowhow : Over a period of Technical assistance agreement i.e. 8 years in case of Holding & joint Venture Company and 5 years in case of Subsidiary Company.

**2.08 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

**a) Sale of Goods**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects Sales Tax and Value Added Taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Revenue from Logistics activity is recognized on the basis of contract entered into by the company on accrual basis.

**b) Interest**

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

**c) Dividends**

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

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

## 2.09 Tangible Assets

Tangible Assets are stated at acquisition cost , net of eligible CENVAT, cess, deferred excise duty, VAT setoff and accumulated depreciation. Cost includes purchase cost together with inward freight, duties , taxes , incidental cost of acquisition, installation & eligible borrowing cost. It also includes pre-operative expenses incurred during the construction, trial & stabilization period until the time such assets are put to commercial use.

## 2.10 Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- (c) Non monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

## 2.11 Government Grants

Government grants are recognised only if there is reasonable assurance as to its receipt and that the conditions attached there to shall be complied with.

## 2.12 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made , are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset , the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

## 2.13 Employee Benefits

- a ) Short Term Benefits : Short term Employee Benefits are recognized as an expense at the undiscounted amount in the Profit & Loss Account of the year in which the related service is rendered. These benefits include Salaries, Bonus, medical care expenses etc.
- b) Long Term Benefits :

**Defined Contribution Plan :** Employee's benefits in the form of ESIC, Provident Fund & Labour Welfare Fund are considered as defined contribution plan and the contributions are charged to the Profit & Loss Account of the year, on accrual basis, when the contributions to the respective funds are due.

**Defined Benefit Plan :** Gratuity : Benefits in the form of Gratuity are considered as defined benefit obligations and are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method as at the date of Balance Sheet.

**Leave Encashment :** Benefits in the form of Leave Encashment on account of un-availed leave at the year end are also considered as defined benefit obligations and is provided as per the actuarial valuation according to Projected Unit Cost Method. Actuarial Gains/Losses , if any , are immediately recognized in the Profit & Loss Account.

## 2.14 Borrowing Costs

Borrowing cost includes interest , amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed out to the statement of Profit & Loss.

## 2.15 Segment Reporting

The Company Operates in two primary Business segment viz

- a )" Manufacturing of Autotomotive Parts,"
- b )" Trading of Autotomotive Parts"

**2.16 Leases**

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under Operating Leases are recognized as expenses on straight Line Basis as per the terms of lease.

**2.17 Earnings Per Share**

In considering the Earnings Per share, the Company considers the Net Profit or Loss for the year attributable to the Equity Shareholders. The number of shares used in computing Basic Earnings per share is the Weighted Average number of Equity Shares outstanding during the year.

The number of shares used in computing Diluted Earnings per share is the Weighted Average number of Equity Shares outstanding during the year after adjusting for the effects of all dilutive potential Equity Shares.

**2.18 Current & Deferred Tax**

Tax expenses for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period.

Provision for Current Tax is made by taking into account the admissible deductions/allowances under the provisions of Income Tax Act 1961, as applicable for respective Financial Year.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax ( MAT ) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the institute of Chartered Accountants of India, the said credit is created by way of a credit to the profit and loss account shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**2.19 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization as per the criteria specified in Accounting Standard ( AS - 26 ) " Intangible Assets" issued by the Institute of Chartered Accountants of India.

**2.20 Impairment of Tangible & Intangible Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An Impairment Loss is charged to the Profit & Loss Account in the year in which the asset is identified as impaired. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**2.21 Preliminary Expenses**

In case of Joint Venture Company, Preliminary Expenses are being written off in equal installment over a period of Five Financial Years.

**2.22 Deferred Revenue Expenditure**

In case of Subsidiary Company, expenditure incurred on know-how for modification of existing products along with any future expenditure is appropriately amortized on the commencement of commercial production of the modified products as the benefit of expenditure is expected in future years.

**2.23 Pre-Operative Expenses**

The expenditure incurred by the Subsidiary Company from the date of setting up of a new unit, upto the date of commencement of commercial production of the unit is treated as pre-operative expenditure to be capitalized as a part of the indirect cost of construction. The amount of such expenditure is to be apportioned over the individual assets in an equitable manner. The amount

not directly attributable to fixed assets are charged to the Profit and Loss account in the year in which such expenditure is incurred.

## **2.24 Warranty**

In case of Subsidiary Company, provision for warranty is based on technical estimates.

## **2.25 Research & Development**

In case of Subsidiary Company, revenue expenditure on research and development is charged under respective heads of account. Capital Expenditure on research and development is included as part of fixed assets and depreciated on the same basis as applied for other fixed assets.

## **2.26 Provisions for Contingent Liabilities**

**Provisions :** Provisions, involving substantial degree of estimation in measurement, are recognised if :

- a) the Company has a present obligation as a result of a past event and
- b) it is probable that there will be an outflow of resources and
- c) the amount of the obligation can be reliably estimated.

Provisions are not discounted to its present value and are determined based on best Management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Warranty expenses are provided in the year of sales based on technical estimates.

**Contingent liabilities :** Contingent liabilities are disclosed in case of:

- a) The present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) The present obligation when no reliable estimate is possible: and
- c) The possible obligation arising from past events where the probability of outflow resources is not remote.

Contingent Liabilities are reviewed at each Balance Sheet date.

**Contingent Assets :** Contingent Assets are neither recognized nor disclosed.

**3 Share Capital**

Particulars	Par Value per share (Rs.)	Balance Outstanding as at March 31, 2014		Balance Outstanding as at March 31, 2013	
		No of Shares	Value (Rs.)	No of Shares	Value (Rs.)
<b>Equity Share Capital</b>					
Authorised :	10	15,000,000	150,000,000	15,000,000	150,000,000
Issued, Subscribed and Paid-up :	10	13,631,541	136,315,410	13,631,541	136,315,410
<b>Reconciliation of Shares outstanding at the ( beginning &amp; end of the reporting year )</b>					
At the beginning of the year		13,631,541	136,315,410	13,631,541	136,315,410
Issued during the year		-	-	-	-
Outstanding as at the end of the year		13,631,541	136,315,410	13,631,541	136,315,410

**3.1 Rights, preferences & restrictions attached to shares-**

The company has only one class of equity shares having a par value of **Rs. 10** per share. Each equity share holder is entitled to one vote per share. The company declares dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**3.2 Details of Dividend Distribution-**
**(Amount in Rs.)**

Particulars	2013-14	2012-13
Amount of per share dividend recognized as distribution to equity shareholders	6	6

**3.3 Details of shareholders holding more than 5% shares in the company at the end of current/previous year**

Name	As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Holding (%)	No. of Shares	Holding (%)
Dhanesh Kumar Jain	1,655,257	12.14	1,655,257	12.14
Lumax Finance Private Limited	2,422,264	17.77	2,422,264	17.77
Dhanesh Kumar Jain (HUF)	1,180,971	8.66	1,180,971	8.66
Deepak Jain	914,652	6.71	914,652	6.71
Anmol Jain	862,240	6.33	862,240	6.33

**4 Reserves & Surplus**
**(Amount in Rs.)**

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Capital Reserve</b>		
Balance as per Last Balance Sheet	-	29,680,910
Add: Addition during the year	32,870,910	-
Less: Adjusted against goodwill	-	(29,680,910)
<b>Balance as at the end of the year</b>	<b>32,870,910</b>	<b>-</b>
<b>Securities Premium Account</b>		
Balance at the beginning of the year	452,854,525	452,854,525
<b>Balance as at the end of the year</b>	<b>452,854,525</b>	<b>452,854,525</b>
<b>General Reserve</b>		
Balance at the beginning of the year	100,700,000	78,400,000
Add : Transferred from Surplus in Statement of Profit & Loss during the year	15,020,000	22,300,000
<b>Balance as at the end of the year</b>	<b>115,720,000</b>	<b>100,700,000</b>
<b>Statement of Profit and Loss</b>		
Balance as at the beginning of the year	1,423,077,303	1,130,407,508
Add: Profit for the year	302,129,301	410,659,124
Add: Acquired under scheme of amalgamation	(110,045,965)	-
Add: Surplus of Share Capital over investment in merger undertaking	17,297,574	-

*Continued*

# Lumax Auto Technologies Limited

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Less: Appropriations</b>		
Transfer to general reserve	15,020,000	22,300,000
Proposed dividend on Equity Shares @ Rs. 6/- (Previous year Rs. 6/-) per Share	81,789,246	81,789,246
Dividend distribution tax on proposed dividend on equity shares	13,900,083	13,900,083
<b>Balance as at the end of the year</b>	<b>1,521,748,884</b>	<b>1,423,077,303</b>
<b>Total Reserves &amp; Surplus</b>	<b>2,123,194,319</b>	<b>1,976,631,828</b>

## 5 Long Term Borrowings (Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Secured</b>		
Term Loans:		
- from banks	381,042,888	248,151,593
- from other parties	-	163,965
<b>Unsecured</b>		
Deferred sales tax loan	4,396,081	5,445,407
Deferred credit HSIIDC (Agnst. Demand for Land)	-	4,627,804
<b>Total</b>	<b>385,438,969</b>	<b>258,388,769</b>

### Holding Company

- 5.1 Rs. 500,000,000/- (Previous year Rs. 200,000,000/-) taken in the financial year 2012-13 carries interest @10.25% - 10.55% p.a at present. The loan is repayable in 16 equal quarterly intallments of Rs. 31,250,000/- after one year moratorium period from the disbursement date i.e from January 3, 2013. The loan is secured by extension of charges by way of hypothecation on the plant and machinery alongwith the UREM on land and building, situated at Nassapura Hobli plant.
- 5.2 Rs. 9,814,603/- (Previous year Rs. 49,135,407/-) vehicle loan from banks at interest @11.00% - 11.50 % aggregating to are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.
- 5.3 Deferred Sales tax loan is received for interest free period of 15 years and is repayable in 5 annual installments after completion of 10 years.

### Subsidiary Company

- 5.4 All Auto Loans are Hypothecated against First charge on vehicle.
- 5.5 Principal terms of re-payment, rate of interest of borrowings during the current year
- a) Auto Loans from Bank [Rs. Nil ( Previous year Rs. 762,760/-) ]  
Loan1- In 36 equal monthly installments of Rs. 19,740/- (including interest @ 12% p.a). NIL EMIs are outstanding as on March 31, 2014.  
Loan 2- In 35 equal monthly installments of Rs. 15,900/- (including interest @ 11% p.a). NIL EMIs are outstanding as on March 31,2014 .
- b) Auto Loans from others [ Rs. Nil ( Previous year Rs. 393,635/-)]  
Loan 1- In 35 equal monthly installment of Rs. 22,100/- (including interest @ 9.25% p.a). NIL EMIs are outstanding as on March 31, 2014. Loan 2- In 35 equal monthly installment of Rs. 26,853/- (including interest @ 11.25% p.a). NIL EMIs are outstanding as on March 31, 2014 .
- c) Deferred Payment Liability -SIDCUL [ Rs. Nil (Previous year Rs. 5,401,500/-) ]  
Deferred Credit from SIDCUL is repayable in 4 Equal half yearly Installment of Rs. 2,700,750/- carrying rate of interest at 9% p.a Nil EMIs are outstanding as on March 31, 2014 .
- d) Deferred Payment Liability -HSIIDC [ Rs.4,627,802 /- (Previous year Rs. 9,255,606/-) ]  
Deferred Credit from HSIIDC is repayable in 5 Equal half yearly Installment of Rs. 2,313,902/- carrying rate of interest at 12% p.a 2 EMIs are outstanding as on March 31, 2014 .

**6 Deferred Tax Liabilities (Net) (Amount in Rs. )**

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Deferred Tax Liabilities</b>		
Depreciation	157,535,628	111,466,951
<b>Total</b>	<b>157,535,628</b>	<b>111,466,951</b>
<b>Deferred tax assets</b>		
Provision for doubtful trade receivables & advances	1,225,562	3,557,679
Disallowance u/s 43B	11,659,817	3,731,106
Disallowance u/s 40 (a)	919,351	2,965,259
<b>Total</b>	<b>13,804,730</b>	<b>10,254,044</b>
<b>Deferred tax liability (Net)</b>	<b>143,730,898</b>	<b>101,212,907</b>
<b>Deferred tax expense / (Income)</b>	<b>42,517,991</b>	<b>37,558,604</b>
Subsequent to Accounting Standard - 22 "Accounting for Taxes on Income", issued by Institute of Chartered Accountants of India, Deferred Tax Expense / (Income) has been recognized in the Statement of Profit & Loss.		

**7 Other Long Term Liabilities (Amount in Rs. )**

Particulars	As at March 31, 2014	As at March 31, 2013
Unsecured Deposits from Customers	31,230,500	32,505,893
Gratuity	9,973,795	7,728,483
Leave	12,984,913	8,880,771
<b>Total</b>	<b>54,189,208</b>	<b>49,115,147</b>

**8 Short Term Borrowings (Amount in Rs. )**

Particulars	As at March 31, 2014	As at March 31, 2013
Term Loan Secured From Bank	- 2,461,846	- 1,833,438
<b>Total</b>	<b>2,461,846</b>	<b>1,833,438</b>

**9 Trade Payables (Amount in Rs. )**

Particulars	As at March 31, 2014	As at March 31, 2013
Goods purchase Micro, Small and Medium Enterprises To Others	120,919,170 1,309,053,719	10,614,964 1,229,418,779
<b>Total</b>	<b>1,429,972,889</b>	<b>1,240,033,743</b>

9.1 The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the Company are as below :

Particulars	As at March 31, 2014	As at March 31, 2013
i) Principal amount due and remaining unpaid to any supplier as at the end of accounting year	553,777	10,614,964
ii) Interest due on principal amount remaining unpaid as at the end of accounting year	6,058	Nil
iii) Amount of interest alongwith principal amount paid to Supplier beyond due date of payment	Nil	Nil
iv) Amount of interest accrued / due and remaining unpaid at the end of accounting Year	6,058	Nil
v) Amount of further interest remaining due and payable even in succeeding year, until such date when the interest dues as above are actually paid to the small enterprises	Nil	Nil

# Lumax Auto Technologies Limited

## 10 Other Current Liabilities

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
Current maturities of long term debt	128,771,715	12,092,014
Current maturities of deferred sales tax loan	2,184,776	1,809,567
Deferred credit HSIIDC (Avg. demand for land)	4,627,802	-
Unpaid dividend	626,861	539,843
Unsecured advances from customers	21,704,368	16,567,932
Payable to capital purchase	11,387,111	254,251,666
Payable to others	50,409,595	95,750,803
<b>Total</b>	<b>219,712,228</b>	<b>381,011,825</b>

## 11 Short Term Provisions

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
Provision for employee benefit	60,149,700	29,206,097
Provision for gratuity	10,727,782	3,241,355
Provision for earned leave	7,841,778	4,856,832
Provision for proposed dividend @ Rs. 6/- (Previous year Rs. 6/- ) per share	81,789,246	81,789,246
Tax on proposed dividend	16,197,893	13,900,083
Provision for income tax	7,979,003	8,345,918
Provision for wealth tax	70,090	40,779
Provision for statutory liabilities	-	790,750
Others provisions	54,485,824	41,759,691
<b>Total</b>	<b>239,241,316</b>	<b>183,930,751</b>

## 12(i) Tangible Fixed Assets

(Amount in Rs. )

Particulars	Land		Buildings		Plant and Machinery	Furniture and Fixture	Bins & Creates	Office Equipments	Vehicle	Computers	Tangible R & D					Total
	Freehold	Leasehold	Factory	Non Factory							Plant & Machinery	Furniture & Fixture	Vehicle	Computer	Office Equipment	
<b>Gross Block</b>																
As at April 1, 2012	50,016,694	76,056,896	245,844,157	-	770,287,126	13,866,909	273,248	10,180,489	18,511,262	20,973,853	12,827,864	4,648,830	557,779	1,698,209	2,876,825	1,228,620,141
Additions	11,569,508	32,500	223,316,246	-	481,871,808	8,308,143	13,300	2,592,186	3,103,123	4,551,710	2,919,279	-	-	497,795	-	738,775,598
Deductions	-	-	(5,720,953)	-	(23,747,316)	-	-	-	-	(102,713)	-	-	-	-	-	(29,570,982)
Adjustment	28,924,174	-	28,238,448	-	-	-	-	-	-	-	-	-	-	-	-	57,162,622
<b>As at March 31, 2013</b>	<b>90,510,376</b>	<b>76,089,396</b>	<b>491,677,898</b>	<b>-</b>	<b>1,228,411,618</b>	<b>22,175,052</b>	<b>286,548</b>	<b>12,772,675</b>	<b>21,614,385</b>	<b>25,422,850</b>	<b>15,747,143</b>	<b>4,648,830</b>	<b>557,779</b>	<b>2,196,004</b>	<b>2,876,825</b>	<b>1,994,987,379</b>
As at April 1, 2013	90,510,376	76,089,396	491,677,898	-	1,228,411,618	22,175,052	286,548	12,772,675	21,614,385	25,422,850	15,747,143	4,648,830	557,779	2,196,004	2,876,825	1,994,987,379
Additions	51,219,583	232,844	209,012,563	8,492,120	596,849,875	4,729,499	-	9,296,489	12,873,169	3,715,864	462,872	-	-	-	32,215	896,917,093
Deductions	-	-	-	-	(7,177,576)	-	-	-	(1,605,183)	-	-	-	-	-	-	(8,782,759)
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2014</b>	<b>141,729,959</b>	<b>76,322,240</b>	<b>700,690,461</b>	<b>8,492,120</b>	<b>1,818,083,917</b>	<b>26,904,551</b>	<b>286,548</b>	<b>22,069,164</b>	<b>32,882,371</b>	<b>29,138,714</b>	<b>16,210,015</b>	<b>4,648,830</b>	<b>557,779</b>	<b>2,196,004</b>	<b>2,909,040</b>	<b>2,883,121,713</b>
Depreciation/Amortization																
As at April 1, 2012	-	2,477,478	45,020,391	-	279,717,297	6,795,192	146,614	2,827,455	6,067,250	10,430,432	1,082,428	308,467	190,833	487,850	187,195	355,738,882
For the year	-	817,633	9,770,985	-	82,444,941	1,094,358	70,808	516,385	1,884,194	2,921,799	638,535	293,986	52,989	315,055	135,386	100,957,054
Deductions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	8,822,702	-	(9,878,699)	-	-	-	-	(45,418)	-	-	-	-	-	(1,101,415)
<b>As at March 31, 2013</b>	<b>-</b>	<b>3,295,111</b>	<b>63,614,078</b>	<b>-</b>	<b>352,283,539</b>	<b>7,889,550</b>	<b>217,422</b>	<b>3,343,840</b>	<b>7,951,444</b>	<b>13,306,813</b>	<b>1,720,963</b>	<b>602,453</b>	<b>243,822</b>	<b>802,905</b>	<b>322,581</b>	<b>455,594,521</b>
As at April 1, 2013	-	3,295,111	63,614,078	-	352,283,539	7,889,550	217,422	3,343,840	7,951,444	13,306,813	1,720,963	602,453	243,822	802,905	322,581	455,594,521
For the year	-	918,068	15,431,620	2,830,755	136,446,068	1,727,985	54,799	894,119	2,443,098	3,094,278	751,143	293,986	52,989	354,367	136,665	165,429,940
Deductions	-	-	-	-	(2,056,524)	-	-	-	(697,991)	-	-	-	-	-	-	(2,754,515)
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2014</b>	<b>-</b>	<b>4,213,179</b>	<b>79,045,698</b>	<b>2,830,755</b>	<b>486,673,063</b>	<b>9,617,535</b>	<b>272,221</b>	<b>4,237,959</b>	<b>9,696,551</b>	<b>16,401,091</b>	<b>2,472,106</b>	<b>896,439</b>	<b>296,811</b>	<b>1,157,272</b>	<b>459,246</b>	<b>618,269,946</b>
<b>Net Block</b>																
As at March 31, 2013	90,510,376	72,794,285	428,063,820	-	876,128,079	14,285,502	69,126	9,428,835	13,662,941	12,116,037	14,026,180	4,046,377	313,957	1,393,099	2,554,244	1,539,392,849
<b>As at March 31, 2014</b>	<b>141,729,959</b>	<b>72,109,061</b>	<b>621,644,763</b>	<b>5,661,365</b>	<b>1,331,410,834</b>	<b>17,287,016</b>	<b>14,327</b>	<b>17,831,205</b>	<b>23,185,820</b>	<b>12,737,623</b>	<b>13,737,909</b>	<b>3,752,391</b>	<b>260,968</b>	<b>1,038,732</b>	<b>2,449,794</b>	<b>2,264,851,767</b>

**12(ii) Intangible Fixed Assets**

Particulars	Technical Know How	Computer Software	Computer Software (R&D)	Goodwill on Consolidation	Total
<b>Gross Block</b>					
As at April 1, 2012	22,189,318	7,010,911	13,727,168	-	42,927,397
Additions	772,787	7,407,800	818,042	92,748,391	101,747,020
Deductions	-	-	-	(29,680,910)	(2,96,80,910)
<b>As at March 31, 2013</b>	<b>22,962,105</b>	<b>14,418,711</b>	<b>14,545,210</b>	<b>63,067,481</b>	<b>114,993,507</b>
As at April 1, 2013	22,962,105	14,418,711	14,545,210	63,067,481	114,993,507
Additions	28,503	13,203,167	-	-	13,231,670
Deductions	(6,653,700)	-	-	(63,067,481)	(69,721,181)
<b>As at March 31, 2014</b>	<b>16,336,908</b>	<b>27,621,878</b>	<b>14,545,210</b>	<b>-</b>	<b>58,503,996</b>
<b>Depreciation/Amortization</b>					
As at April 1, 2012	11,870,640	2,465,789	3,281,063	-	17,617,492
For the year	2,277,457	2,279,540	2,783,849	-	7,340,846
<b>As at March 31, 2013</b>	<b>14,148,097</b>	<b>4,745,329</b>	<b>6,064,912</b>	<b>-</b>	<b>24,958,338</b>
As at April 1, 2013	14,148,097	4,745,329	6,064,912	-	24,958,338
For the year	2,363,158	5,300,229	2,908,185	-	10,571,572
Deductions	(4,245,130)	-	-	-	(4,245,130)
<b>As at March 31, 2014</b>	<b>12,266,125</b>	<b>10,045,558</b>	<b>8,973,097</b>	<b>-</b>	<b>31,284,780</b>
<b>Net Block</b>					
As at March 31, 2013	8,814,011	9,673,382	8,480,298	63,067,481	90,035,172
<b>As at March 31, 2014</b>	<b>4,070,783</b>	<b>17,576,320</b>	<b>5,572,113</b>	<b>-</b>	<b>27,219,216</b>

**13 Non-Current Investments**

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>NON-TRADE INVESTMENTS</b>		
<b>Investments in Equity Instruments</b>		
<b>Unquoted</b>		
<b>Shares of Rupee Co-op Bank Ltd.</b>	<b>1,000</b>	<b>1,000</b>
20 (previous year 20) Equity shares of Rs. 50/- each fully paid-up		
<b>- Quoted</b>		
<b>Lumax Industries Ltd.</b>	<b>193,783,106</b>	<b>193,783,106</b>
5,25,000 (previous year 5,25,000) Equity Shares of Rs. 10/- each fully paid up		
<b>Total</b>	<b>193,784,106</b>	<b>193,784,106</b>
<b>Aggregate cost of quoted investments</b>	<b>193,783,106</b>	<b>193,783,106</b>
<b>Aggregate cost of unquoted investments</b>	<b>1,000</b>	<b>1,000</b>
<b>Aggregate market value of quoted investments</b>	<b>152,407,500</b>	<b>183,671,250</b>

# Lumax Auto Technologies Limited

## 14 Long Term Loans & Advances

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Unsecured, considered good</b>		
Capital advances	74,505,056	199,849,961
Security deposits	40,343,652	37,032,725
Prepaid expenses	26,342	63,061
<b>Unsecured considered doubtful</b>		
Security deposit	5,00,000	9,96,210
Less: Provision for bad & doubtful debts	(5,00,000)	(9,96,210)
<b>Total</b>	<b>114,875,050</b>	<b>236,945,747</b>

## 15 Other Non-Current Assets

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
Long Term Bank deposits ( maturity more than 12 months)	10,071,697	1,723,822
ESI recoverable (deposited under protest)	77,557	77,557
MAT credit entitlement	115,380,789	108,921,473
<b>Total</b>	<b>125,530,043</b>	<b>110,722,852</b>

## 16 Inventories

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Raw materials</b>		
- Goods in Transit	4,541,577	1,135,325
- Others	151,130,861	148,100,120
<b>Work-in-progress</b>	<b>26,265,327</b>	<b>17,644,886</b>
<b>Finished goods</b>		
- Goods in Transit	7,330,305	8,629,238
- Others	18,609,066	10,704,478
<b>Stock-in-trade (in respect of goods acquired for trading)</b>		
- Goods in Transit	-	-
- Others	113,759,594	90,396,729
<b>Stores and spares</b>		
- Packing Material	4,061,552	2,720,459
- Consumables	16,063,477	9,072,202
- Mould & Dies	3,878,792	-
<b>Total</b>	<b>345,640,551</b>	<b>288,403,437</b>

## 17 Trade Receivables

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Unsecured</b>		
Debts outstanding for a period exceeding six months from the date they are due for payment		
Considered good	1,698,656	1,105,758
Considered doubtful	3,081,502	3,081,502
Other debts		
Considered good	1,318,805,035	1,285,280,171
Considered doubtful	-	20,081
	<b>1,323,585,193</b>	<b>1,289,487,512</b>
Less: Provision for doubtful debts	<b>3,081,502</b>	<b>3,101,583</b>
<b>Total</b>	<b>1,320,503,691</b>	<b>1,286,385,929</b>

**18 Cash & Bank Balances**

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Cash &amp; cash equivalents</b>		
- Cash on hand	1,623,531	1,304,372
- in current accounts	128,361,146	65,229,723
- in Cash credit account	-	40,320
- Cheques, drafts on hand	20,000	20,000
<b>Total cash &amp; cash equivalents (A)</b>	<b>130,004,677</b>	<b>66,594,415</b>
<b>Other bank balances</b>		
- in Deposit accounts	8,708,435	30,904,309
- in Dividend accounts	626,861	539,843
<b>Total other bank balances (B)</b>	<b>9,335,296</b>	<b>31,444,152</b>
<b>Total (A+B)</b>	<b>139,339,973</b>	<b>98,038,567</b>

**19 Short Term Loans & Advances**

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Loans and advances - Unsecured considered good</b>		
Advance to suppliers	43,374,090	9,357,404
Excise duty & service tax receivables	71,269,626	65,506,379
Income tax receivables	5,353,652	5,914,120
Other loans & advances	21,585,973	24,442,326
<b>Loans and advances - unsecured considered doubtful</b>		
Excise duty & service tax receivables	-	154,035
Income tax receivables	-	2,062,263
Security deposit	-	351,699
Less: Provision for doubtful loans, advances & deposit	-	(2,567,997)
<b>Total</b>	<b>141,583,341</b>	<b>105,220,229</b>

**20 Other Current Assets**

(Amount in Rs. )

Particulars	As at March 31, 2014	As at March 31, 2013
Interest receivable on fixed deposit	1,511,268	2,193,370
Fixed Assets held for sale	222,900	747,900
Others recoverables -sales of fixed assets	-	199,975
<b>Total</b>	<b>1,734,168</b>	<b>3,141,245</b>

**21 Revenue from Operations**

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>Sale of products</b>		
- Manufactured goods	6,050,642,135	6,050,438,309
- Stock-in-trade	2,005,420,820	1,964,909,493
<b>Sale of Services</b>		
- Labour charges	1,210,909	7,318,495
<b>Other operating revenues</b>		
Scrap sale	6,024,355	7,344,879
Die & tool sale	55,760,387	68,529,444
New product development	394,109	4,177,048
Sale of raw material	16,926,083	53,562,281
<b>Gross sales and services</b>	<b>8,136,378,798</b>	<b>8,156,279,949</b>
Less : Excise duty	508,809,500	493,239,360
<b>Total</b>	<b>7,627,569,298</b>	<b>7,663,040,589</b>

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## 22 Other Income (Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Interest income	4,912,369	12,538,662
Dividend income	2,362,500	3,150,000
- Discount received	5,769,426	2,335,826
- Miscellaneous balances written back	461,852	3,049,478
- Miscellaneous income	8,718,652	5,127,585
- Tools Development cost received	4,365,159	-
- Rent received	11,086,800	8,360,100
Net gain on foreign currency transaction and translation	-	2,209,569
<b>Total</b>	<b>37,676,758</b>	<b>36,771,220</b>

## 23 Cost of Materials Consumed (Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>Raw material consumed</b>		
Opening inventory	190,001,317	134,636,558
Add : Purchases (net)	4,174,673,149	4,372,103,708
Less : Inventory at the end of the year	151,130,861	144,278,548
<b>Cost of raw materials consumed during the year</b>	<b>4,213,543,605</b>	<b>4,362,461,718</b>

## 24 Changes in Inventories (Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>(Increase)/Decrease in stocks</b>		
Stock at the end of the year		
Manufactured goods & stock in trade	127,777,590	100,699,885
Goods in transit of manufactured goods & stock in trade	8,051,754	9,030,560
Work-in progress	26,154,345	17,644,886
<b>Total A</b>	<b>161,983,689</b>	<b>127,375,331</b>
<u>Less: Stock at the beginning of the year</u>		
Manufactured goods & stock in trade	103,837,234	61,950,949
Goods in transit of manufactured goods & stock in trade	9,496,718	5,482,149
Work-in progress	18,289,991	11,614,730
<b>Total B</b>	<b>131,623,943</b>	<b>79,047,828</b>
<b>(Increase)/Decrease in stocks (B-A)</b>	<b>(30,359,746)</b>	<b>(48,327,503)</b>

## 25 Manufacturing Expenses (Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Consumables	57,389,434	76,939,752
Packing material	49,234,628	42,043,923
Job-work	82,804,837	44,583,804
Electricity, light & power	114,171,118	93,634,785
Freight and cartage	19,719,704	18,665,570
Water charges	2,626,182	1,064,569
Repairs & maintenance - plant & machinery	27,826,652	17,876,893
Miscellaneous manufacturing expenses	5,140,473	7,255,795
<b>Total</b>	<b>358,913,028</b>	<b>302,065,091</b>

**26 Employee Benefits Expenses**

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Salaries & wages	471,062,048	375,651,210
Bonus	7,442,881	6,084,468
Provident fund contribution	17,400,294	12,708,071
Welfare expenses	33,745,346	27,058,520
E.S.I. contribution	1,519,066	1,784,844
Gratuity	10,982,292	6,541,617
Directors' remuneration including commission	43,814,916	53,131,900
<b>Total</b>	<b>585,966,843</b>	<b>482,960,630</b>

**27 Finance Costs**

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Interest on term loans	29,793,286	-
Interest on working capital advance	1,799,434	1,811,760
Interest paid to others	5,156,607	3,187,347
Bank charges	-	317,272
<b>Total</b>	<b>36,749,327</b>	<b>5,316,379</b>

**28 Other Expenses**

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Rent	17,232,526	9,202,013
Rates & taxes	6,196,953	5,319,742
Repairs to Buildings	4,532,054	6,090,195
Repairs others	27,815,140	20,120,106
Insurance charges	5,242,162	3,994,395
Travelling & conveyance	29,342,185	18,719,127
Security charges	14,785,160	10,331,498
Printing & stationery	3,262,937	3,426,993
Postage & telephones	6,925,740	5,417,675
Office expenses	416,600	286,104
Advertisement	3,082,378	4,484,857
Amount written off [Net]	-	107,588
Vehicle expenses	4,325,395	3,302,778
Legal & professional fees	7,943,073	10,137,537
Carriage outward	116,192,806	100,309,338
Miscellaneous expenses *	16,332,722	16,638,681
Excise duty on finish goods/SIT (Closing Stock)	1,978,624	-
Meeting fees	318,000	47,500
Breakage & sales incentive	24,484,696	22,569,726
Discounts	24,250,172	21,938,649
Commission to selling agent	1,976,583	1,690,974
Royalty	5,948,624	6,352,135
Bank charges	1,086,305	1,022,286
Foreign exchange loss	3,649,301	391,638
Bad & doubtful debts/advances written off	70,554	101,547
Provision for doubtful debts/advances	-	203,060
<b>Payments to the auditor</b>		
(a) as statutory auditor fees	1,272,978	1,091,995
(b) for taxation matters fees	220,000	220,000
(c) for limited review fees	326,250	261,000
(d) for other services	504,753	352,616
<b>Total</b>	<b>329,714,671</b>	<b>274,131,753</b>

\* Includes Prior Period Adjustments (Net)

# Lumax Auto Technologies Limited

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>Expenditure</b>		
Insurance	(2,858)	-
Welfare expenses	-	118,536
Carriage outward	-	13,470
Freight expenses	-	-
Royalty	-	-
Service tax	-	162,027
<b>Total Expenditure</b>	<b>(2,858)</b>	<b>294,033</b>
<b>Income</b>		
Travelling & conveyance	-	7,509
Interest on electricity security	123,618	-
<b>Total Income</b>	<b>123,618</b>	<b>7,509</b>
<b>Total (Expenditure less Income)</b>	<b>(126,476)</b>	<b>286,524</b>

## 29 R&D Expenses

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Cost of materials consumed	149,397	115,087
Employee benefits expense	15,933,714	12,437,596
Other expenses **	9,532,156	8,460,273
<b>Total</b>	<b>25,615,267</b>	<b>21,012,956</b>
<b>Sale of prototype tool / Misc. income</b>	<b>(34,091)</b>	<b>(39,000)</b>
<b>Total</b>	<b>25,581,176</b>	<b>20,973,956</b>
<b>** Other Expenses (R&amp;D)</b>		
<b>Manufacturing Expenses</b>		
Repair & Maintenance - plant & machinery	412,450	191,772
Consumption of stores & spares	98,070	53,763
Electricity & generator operating expenses	1,324,904	708,477
Freight & cartage inward	27,109	16,048
Testing charges	37,361	70,239
<b>Administrative Expenses</b>		
Repair others	1,139,929	1,207,325
Insurance charges	10,066	8,037
Travelling & conveyance	1,822,353	4,501,710
Postage & telephones	2,218,892	933,126
Audit certification charges	555,404	16,854
Printing & stationery	63,132	35,591
Security expenses	37,369	75,866
Vehicle expenses	308,714	277,478
Foreign exchange difference (net)	223,138	-
Forwarding expenses	155,548	110,552
Miscellaneous expenses	1,097,717	253,435
<b>Total</b>	<b>9,532,156</b>	<b>8,460,273</b>

## 30 Exceptional Items

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Loss/(Profit) on sale of assets	415,061	160,914
<b>Total</b>	<b>415,061</b>	<b>160,914</b>

**31 Gratuity and Other Post-employment Benefit Plans :**

Liability for employee benefits has been determined by an actuary, in conformity with the principles set out in the accounting Standard 15 (revised) which are as hereunder :

**(a) During the year, the Company has recognized the following amounts in the Statement of Profit and Loss :**

**Defined Contribution Plans**

**(Amount in Rs. )**

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Employer's Contribution to Provident Fund	17,922,600	13,434,234
Employer's Contribution to Employee State Insurance	1,689,368	1,597,650

**(b) Defined Benefit Plans**

Particulars	Gratuity year ended March 31, 2014	Gratuity year ended March 31, 2013	Leave encashment year ended March 31, 2014	Leave encashment year ended March 31, 2013
Current service cost	6,128,877	4,413,682	6,955,962	5,034,036
Interest	3,002,558	2,462,203	1,841,115	1,356,695
Expected Return on Plan Assets	(2,373,271)	(2,066,096)	(953,697)	(787,798)
Actuarial (gain)/loss	5,231,634	1,814,694	1,130,497	43,243
Settlement Cost / (Credit)	1,256,873	-	1,773,589	-
Net cost	13,246,671	6,624,483	10,747,466	5,646,176

**(c) The assumptions used to determine the benefit obligations are as follows :**

**(in %)**

Particulars	Gratuity / Leave encashment year ended March 31, 2014	Gratuity / Leave encashment year ended March 31, 2013
<b>Discount Rate :</b>		
LATL	9.20	8.00
LDK	9.10	8.20
LCAT	9.20	8.10
LMAT	9.10	-
<b>Expected Rate of increase in Compensation Levels :</b>		
LATL	9.00	6.50
LDK	10.00	10.00
LCAT	12.00	12.00
LMAT	10.00	-
<b>Expected Rate of Return on Plan Assets :</b>		
LATL	9.00	9.00
LDK	8.75	-
LCAT ( Only for Gratuity )	9.00	9.00
LMAT	-	-
<b>Expected Average remaining working lives of employees ( years ) :</b>		
LATL	9.93	9.17
LDK	25.46	26.11
LCAT	11.72	11.70
LMAT	27.16	-

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## (d) - ( i ) Reconciliation of opening and closing balances of benefit obligations and plan assets : ( Funded Status )

(Amount in Rs.)

Particulars	Gratuity year ended March 31, 2014	Gratuity year ended March 31, 2013	Leave encashment year ended March 31, 2014	Leave encashment year ended March 31, 2013
<b>Change in Projected Benefit Obligation (PBO)</b>				
Projected benefit obligation at beginning of the year	28,687,841	23,476,298	13,728,323	1,054,956
Current Service cost	4,286,581	2,910,069	3,289,378	2,147,904
Interest Cost	2,220,600	1,974,545	1,088,305	885,701
Benefits Paid	(1,123,215)	(492,715)	(119,002)	(243,890)
Actuarial (gain)/Loss	4,649,270	819,644	713,688	396,652
<b>Projected benefit obligation at year end &amp; change in plan assets:</b>				
Fair Value of plan assets at year end Long Term	38,721,077	28,687,841	18,700,692	13,728,323
Fair Value of plan assets at year end Short Term	37,201,711	26,563,196	18,440,665	10,093,642
<b>Net funded status of the plan</b>	<b>1,519,366</b>	<b>2,124,645</b>	<b>260,027</b>	<b>3,634,681</b>
<b>Net amount recognized</b>	<b>(1,519,366)</b>	<b>(2,124,645)</b>	<b>(260,027)</b>	<b>(3,634,681)</b>

## (d) - ( ii ) Reconciliation of opening and closing balances of benefit obligations and plan assets : ( Unfunded Status )

(Amount in Rs.)

Particulars	Gratuity year ended March 31, 2014	Gratuity year ended March 31, 2013	Leave encashment year ended March 31, 2014	Leave encashment year ended March 31, 2013
<b>Change in Projected Benefit Obligation (PBO)</b>				
Projected benefit obligation at beginning of the year	8,842,819	5,963,662	8,880,770	6,150,802
Current Service cost	1,842,296	1,503,613	3,671,635	2,886,132
Interest Cost	781,958	487,658	752,810	470,994
Benefits Paid	(377,262)	(33,230)	(573,041)	(51,589)
Actuarial (gain)/Loss	521,560	921,116	445,983	(281,048)
<b>Projected benefit obligation at year end &amp; change in plan assets:</b>				
Fair Value of plan assets at year end Long Term	11,611,371	8,842,819	13,178,157	9,175,291
Fair Value of plan assets at year end Short Term	11,68,565	1,114,336	971,495	1,222,151
<b>Net Unfunded status of the plan</b>	<b>10,442,806</b>	<b>7,728,483</b>	<b>12,206,662</b>	<b>7,953,140</b>
<b>Net amount recognized</b>	<b>(10,442,806)</b>	<b>(7,728,483)</b>	<b>(12,206,662)</b>	<b>(7,953,140)</b>

## 32 Capital Commitments

(Amount in Lacs)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance paid Rs. 213.73 Lacs (previous year Rs. 1997.68 Lacs)	270.97	2,735.56

## 33 Contingent Liabilities

(Amount in Lacs)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Income Tax Dispute is pending for A.Y. 2010-2011 from Commissioner of Income Tax (Appeal) as per Income Tax Act. 1961*	1.18	1.18
Deputy Commissioner Central excise Pune for Disallowing of Cenvat Credit for Business Support services, Jobwork Credits and Trading Sales activity* (* Includes amount for the periods for which orders not received but similar transactions have taken place)	-	28.96
VAT / CST assessment is pending before Joint Commissioner of Sales Tax (Appeal), Pune for financial year 2009-10	7.80	-
ESI Demand	0.90	0.90
Income Tax ( A.Y. 2003-04) & ( A.Y. 2007-08 )	456.97	-

- a) In case of subsidiary company - Lumax DK Auto Industries Limited - In an earlier year Income Tax Department had filed an appeal with the Income Tax Appellate Tribunal ( ITAT ) against the order of Commissioner of Income Tax Appeals - (CIT Appeals), for the Assessment Year 2003-04. CIT Appeals in its order dated December 3, 2007 decided in favor of the Company by treating the various disallowances made by the Assessing Officer amounting to **Rs. 30,379,880** as admissible expenditure.
- b) Lumax DK - Subsidiary company, had received an order from Deputy Commissioner of Income Tax( DCIT) for the Assessment Year 2007-08 making an addition of **Rs.15,317,438** on account of additions proposed by TP Officer. The Company has filed an appeal with the ITAT against the Assessment Order passed by the DCIT and the matter is currently pending before the ITAT.

**34 Particulars in respect of Purchases of Stock-in-Trade (Amount in Rs. )**

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Head Lamp	712,965,874	712,680,741
Tail Lamp	215,993,753	181,216,551
Gear Shifter Assembly	28,023,887	35,918,668
Knob	9,150,007	6,541,311
Others	573,500,097	661,391,199
<b>Total</b>	<b>1,539,633,618</b>	<b>1,597,748,470</b>

**35 Value of Imports calculated on CIF (Amount in Rs. )**

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Raw Material & Components	67,794,644	78,702,633
Capital Goods & Accessories ( including Capital WIP )	143,641,743	247,241,159
<b>Total</b>	<b>211,436,387</b>	<b>325,943,792</b>

**36 Earning & Expenditure in Foreign Currency (on Accrual Basis) (Amount in Rs. )**

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
<b>Expenditure in Foreign Currency</b>		
Travelling	1,716,126	3,466,232
Commission to agents	680,344	948,110
Royalty	5,948,624	6,352,135
Technical / Design fee	-	3,259,253
Cost of Samples	-	1,772
Tool development charges	929,621	-
Training/ technical/design/testing fee	8,953,264	-
Insurance	236,684	-
Repair Charges	55,192	-
<b>Total</b>	<b>18,519,855</b>	<b>14,027,502</b>
<b>Earning in Foreign Currency</b>		
Export of finished goods at a F.O.B. value	102,686,061	92,262,388
Other receipts	227,028	2,306,895
<b>Total</b>	<b>102,913,089</b>	<b>94,569,283</b>

**37 Net Dividend remitted in Foreign Exchange (Amount in Rs. )**

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Period to which it related	2012-2013	2011-2012
Number of non-resident shareholders	2	2
Number of Equity Shares held on which dividend was due	124,210	124,210
Amount remitted	745,260	745,260
Amount remitted(USD)	13,146	13,146

# Lumax Auto Technologies Limited

## 38 Total Expenditure incurred on Research and Development for Holding company (Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Expenditure charged to Statement of Profit and Loss	2,969,988	2,739,624
Expenditure capitalised during the year	Nil	Nil

## 39 Incase of Subsidiary company - Lumax DK Auto Industries Ltd. - Share Transfer Agreement :

Pursuant to Share Transfer Agreement dated December 12, 2012, the Company has acquired 1,610,000 equity shares of Rs. 100 each (representing 100% paid-up share capital) of Lumax DK Electric Engineering India Pvt.Ltd.(formerly known as Stanley Electric Engineering India Private Limited) for Rs. 143,702,426 on December 26, 2012.

## 40 Details of Unhedged Foreign Currency

Particulars	Foreign Currency		INR (Rs.)	
	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2013
<b>Trade Payable</b>				
US \$	2,039,656	3,701,433	134,640,526	202,445,356
Euro	23,234	102,784	1,999,667	7,172,205
Japanese Yen	8,175,135	819,360	4,953,434	436,338
<b>Trade Receivable</b>				
US \$	145,661	-	8,767,749	-

## 41 Details of Expenses debited to Preoperative expenses (Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Pre-operative Expenses	40,462,489	3,511,643

## 42 Incase of Subsidiary company - Lumax DK Auto Industries Ltd.

### OPERATING LEASE - AS A LESSOR

- a) During the year ended March 31, 2014, the subsidiary company had leased out 6000 sq.ft. & 90890 sq.ft.area of its premises for a period of 11 months, 58125 sq.ft. ( 5400 Sq.meter) area for a period of 5 years & Machinery for a period of 12 months on renewable basis.

### b) The future minimum lease payments are :

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Future minimum lease payments		
- Not later than one year	17,899,100	3,185,800
- Later than one year but not later than five years	79,639,560	-
- Later than five years	-	-

- c) The movement of provisions in accordance with AS-29 'Provisions,Contingent Liabilities and Contingent Assets' notified under Companies Accounting Standard Rules 2006 ( as amended ) is given below :

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Opening Balance	-	184,128
Addition during the year	-	-
Less : Amount utilized	-	184,128
Less : un-used amount reversed	-	-
Closing Balance	-	-

d) During the year Company has recognized MAT Credit Entitlement, as given below:

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Opening Balance	108,921,473	102,869,714
Add : Entitlement during the year	-	6,092,071
Add : Adjustment during the year ( net )	-	(40,312)
Less : Credit utilised during the year	(9,180,161)	-
<b>Closing Balance</b>	<b>99,741,312</b>	<b>108,921,473</b>

43 Incase of Subsidiary Company - Lumax Mannoh Allied Technologies Ltd.

i) During the year Company has recognized MAT Credit Entitlement, as given below:

(Amount in Rs. )

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Opening Balance	-	-
Add : Entitlement during the year	758,967	-
Add : Adjustment during the year ( net )	-	-
Less : Credit utilised during the year	-	-
<b>Closing Balance</b>	<b>758,967</b>	<b>-</b>

ii) The Lumax Mannoh Allied Technologies Ltd. has been incorporated during the year, Hence Previous year figures are not applicable.

iii) Balances under the heads Sundry Debtors, Sundry Creditors , Advances & Deposits are subject to confirmation in some cases.

iv) Joint Venture and Share Purchase Agreement :

The existing shareholder of the Company ( i.e. Lumax Auto Technologies Limited ) has executed a joint venture and share purchase agreement with Mannoh Industrial Co.Ltd., Japan on March 4, 2014 by which 45 percent equity of the Company is to be transferred to Mannoh Industrial Co.Ltd.,Japan.

44 Incase of Subsidiary company - Lumax DK Auto Industries Ltd.

(A) "Scheme of arrangement for Transfer of gear shifter division including R & D facility:

The Scheme of Arrangements ('The Scheme'), between the Company and Lumax Mannoh Allied Technologies Limited ('LMAT' or 'the resulting company') for transfer of assets and liabilities of gear shifter division including R & D facility ('demerged undertaking') to LMAT was approved by the Hon'ble High Court of Delhi vide order dated January 10, 2014 and filed with the Registrar of Companies, Delhi and Haryana dated February 15, 2014 i.e. the Effective date of the Scheme. The Scheme has, accordingly, been given effect to in these financial statements and pursuant to the terms of the Scheme;"

(a) The assets and liabilities pertaining to demerged undertaking have been transferred at values appearing in the books of accounts as on the closing of business day on September 30, 2013 (i.e. appointed date).

(b) The excess of assets over the liabilities of the demerged undertaking amounting to Rs. 34,705,177 is debited to free reserve in accordance with the scheme sanctioned by Hon'ble High Court of Delhi.

(c) The Summary of Assets and Liabilities transferred to LMAT on October 1, 2013 pursuant to Scheme is as below:

Particulars	Amount Rs.
Fixed Assets (net) including capital work-in-progress	74,670,598
Long term loans and advances	5,772,835
Inventories	42,896,034
Trade receivables	42,847,194
Short term loans & advances	2,856,938
<b>Total of Assets Transferred (A)</b>	<b>169,043,599</b>
Deferred tax liability (Net) #	11,595,977
Long term provisions #	7,548,086
Trade payables	93,028,166
Other current liabilities	20,326,441
Short term provisions #	1,839,752
<b>Total Of Liabilities Transferred (B)</b>	<b>134,338,422</b>
<b>Net Asset Transferred (A-B)</b>	<b>34,705,177</b>

# Lumax Auto Technologies Limited

# Upon the Scheme becoming effective, out of 61 employees of demerged undertaking only 29 employees opted for transfer in the resulting Company which resulted into change in deferred tax liability, long term and Short term provisions relating to employees amounting to Rs. 1,006,671, Rs. 1,925,501 and Rs. 328,296 respectively and the same is adjusted with the net amount payable appearing in Note 10 'Other current liabilities' of the financial statements.

**(d) Shares issued on demerger:**

Pursuant to the scheme becoming effective, out of 61 employees of demerged undertaking only 29 employees opted for transfer in the resulting Company which resulted into change in deferred tax liability, long term and short term provisions relating to employees amounting to Rs. 1,006,671, Rs. 1,925,501 and Rs. 328,296 respectively and the same is adjusted with the net amount payable appearing in Note 10 'Other current liability' of the financial statements.

**(e)** Pursuant to the Scheme, during the period between appointed date and effective date, the company had carried on demerged undertaking in "trust" on behalf of the LMAT as Going Concern. Further all profit or income earned and losses and expenses incurred for demerged undertaking had for all purposes been deemed to be profit or income or expenditure or losses of LMAT.

**(f)** The title deeds for licences, agreement, loan documents etc. are in the process of being transferred in the name of LMAT. Therefore, from the effective date of the Scheme till the Balance Sheet date, the Company had carried on the business of demerged undertaking on behalf of LMAT and the amount attributable to demerged undertaking stand transferred to LMAT.

The summary of business executed by the Company on behalf of LMAT as mentioned in note (e) and (f) above and transferred to LMAT is as below:

Particulars	Amount in Rs.
Sales of finished goods	255,380,638
Other income	5,144,934
Purchase of raw material	153,267,677
Purchase of traded goods	15,758,538
Expenditure incurred	68,114,349

**(g)** Pursuant with the scheme of arrangement as explained in note (a) above, the Company had transferred its in-house R & D facility situated at Plot no. 165, Sector-5, IMT Manesar, Guragon, Haryana to LMAT. The DSIR has approved the facility upto March 31, 2014. The necessary documents for transfer of licence of R&D facility to resulting company is filed with DSIR, Ministry of Science & Technology. The approval from DSIR is awaited.

**(h)** Till the appointed date of the Scheme, the Company is availing deduction u/s 35(2AB) of the Income Tax Act, 1961.

**(B) Scheme of Merger of Lumax DK Electric Engineering India Pvt. Ltd. with the Company:**

**(a)** During the year, the Scheme of amalgamation of Lumax DK Electric Engineering India Pvt. Ltd. ('the transferor company') a wholly owned subsidiary company, with the Company has been approved by the Hon'ble High Court of Delhi on January 20, 2014 and filed with Registrar of Companies on February 27, 2014. Accordingly, all Assets and Liabilities of the transferor company are recorded by the Company under pooling of interest method with effect from April 1, 2013 (i.e. appointed date).

**(b)** The Summary of Assets and Liabilities including debit balance of reserve and surplus acquired from Lumax DK Electric Engineering India Pvt. Ltd. on April 1, 2013 pursuant to Scheme of amalgamation is as under:

Particulars	Amount in Rs.
Fixed assets (net)	48,339,920
Long term loans and advances	970,941
Cash and cash equivalent	474,615
Short term loans advances	788,654
Other current assets	947,875
Reserve and surplus	109,697,185
<b>Total of assets transferred (A)</b>	<b>161,219,190</b>
Trade payables	16,244
Other current liabilities	202,946
<b>Total of liabilities transferred (B)</b>	<b>29,190</b>
<b>Net asset transferred (A-B)</b>	<b>161,000,000</b>

- (c) The difference between the carrying value of investment in Lumax DK Electric Engineering India Pvt. Ltd. and value of net asset acquired under the scheme of amalgamation of Rs. 17,297,574/- has been credited to Reserve & Surplus.

Particulars	Amount in Rs.
Net Asset Acquired	161,000,000
Less: Investments	143,702,426
<b>Surplus of share capital over Investment credited in Reserve &amp; surplus</b>	<b>17,297,574</b>

- (d) Being a wholly owned subsidiary company, 1,610,000 equity shares of Rs.100 each of erstwhile Lumax DK Electric Engineering India Private Limited held by the company have been cancelled against the share capital of the transferor company and no share has been issued in pursuance of the scheme of amalgamation.

#### 45 Related Party disclosure

##### (A) Subsidiary Company :

- (a) Lumax DK Auto Industries Limited
- (b) Lumax Mannoh Allied Auto Technologies Limited

##### (B) Joint Ventures of the Company :

- (a) Lumax Cornaglia Auto Technologies Private Limited
- (b) Lumax Gill-Austem Auto Technologies Private Limited

##### (C) Key Managerial Personnel :

- (a) Mr. D.K. Jain ( Husband Of Mrs. Usha Jain & Father Of Mr. Anmol Jain ) , ( w.e.f. - 07/08/2013 )
- (b) Mr. Anmol Jain ( Son Of Mr. D.K. Jain & Mrs. Usha Jain ) , ( w.e.f. - 07/08/2013 )
- (c) Mrs. Usha Jain ( Wife of Mr.D.K.Jain & Mother of Mr. Anmol Jain & Mr. Deepak Jain ) , ( Till 06/08/2013 )
- (d) Mr. Deepak Jain ( Son of Mr. D.K.Jain & Mrs. Usha Jain )
- (e) Mrs.Poysha Goyal Jain ( Wife of Mr. Deepak Jain )
- (f) Mrs. Shivani Jain ( Wife of Mr. Anmol Jain )
- (g) Mr.P.M.Cornaglia
- (h) Mr. Stefano Namari
- (i) Mr. Umberto Cornaglia
- (j) Mr. P. A. Cornaglia

##### (D) Enterprises Owned or Significantly Influenced by Key Management Personnel :

- (a) Lumax Industries Limited
- (b) Lumax Finance Private Limited
- (c) Lumax Ancillary Limited
- (d) Lumax Automotive Systems Limited
- (e) Lumax Filter Private Limited
- (f) Mahavir Udyog
- (g) Tecno Enterprises
- (h) Lumax International Private Limited
- (i) Bharat Enterprises
- (j) SL Lumax Limited
- (k) Lumax Tours & Travels Limited
- (l) Vardhman Agencies Private Limited
- (m) Officine Metallurgiche G.Cornaglia SPA [Italy]
- (n) Cor-Filters ( Italy )
- (o) Cor-Tubi ( Italy )
- (p) D.K.Jain & Sons (HUF)
- (q) D.K.Jain Family Trust

# Lumax Auto Technologies Limited

## 45.1 Detail of Related Parties (Consolidated) Transactions for the Financial Year 2013-14

(Amount in Rs.)

S. No.	Account Head	Key management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key Management Personnel or their relatives		Total	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
A)	<b>TRANSACTIONS</b>								
	<b>Sale of Raw Materials and Components</b>								
	Lumax Industries Ltd.	-	-	-	-	268,828,442	287,043,857	268,828,442	287,043,857
	Lumax Ancillary Ltd.	-	-	-	-	12,567,923	10,023,880	12,567,923	10,023,880
	<b>Total</b>	-	-	-	-	<b>281,396,365</b>	<b>297,067,737</b>	<b>281,396,365</b>	<b>297,067,737</b>
	<b>Sale of Finished Goods</b>								
	Lumax Industries Ltd.	-	-	-	-	770,905,094	819,293,452	770,905,094	819,293,452
	Lumax Ancillary Ltd.	-	-	-	-	10,619,253	7,660,259	10,619,253	7,660,259
	Cor-Filters (Italy)	-	-	-	-	4,195,691	1,214,580	4,195,691	1,214,580
	Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	-	-	119,446	26,775	119,446	26,775
	<b>Total</b>	-	-	-	-	<b>785,839,484</b>	<b>828,195,066</b>	<b>785,839,484</b>	<b>828,195,066</b>
	<b>Sale - Job Work/others</b>								
	Lumax Industries Ltd.	-	-	-	-	-	1,358,823	-	1,358,823
	Lumax Mannoh Allied Technologies Ltd	-	-	-	-	8,089,920	-	8,089,920	-
	<b>Total</b>	-	-	-	-	<b>8,089,920</b>	<b>1,358,823</b>	<b>8,089,920</b>	<b>1,358,823</b>
	<b>Purchases of Raw Materials and Components</b>								
	Bharat Enterprises	-	-	-	-	14,457,219	22,379,250	14,457,219	22,379,250
	Lumax Industries Ltd.	-	-	-	-	104,610,804	126,584,365	104,610,804	126,584,365
	Lumax Ancillary Ltd.	-	-	-	-	402,297,804	350,170,516	402,297,804	350,170,516
	Cor-Filters (Italy)	-	-	-	-	64,269	-	64,269	-
	Officine Metallurgiche G. Cornaglia SPA (Italy)	-	-	-	-	1,135,989	1,672,002	1,135,989	1,672,002
	<b>Total</b>	-	-	-	-	<b>522,566,085</b>	<b>500,806,133</b>	<b>522,566,085</b>	<b>500,806,133</b>
	<b>Purchases of Finished Goods</b>								
	Bharat Enterprises	-	-	-	-	316,370	-	316,370	-
	Lumax Industries Ltd.	-	-	-	-	515,008,270	473,181,032	515,008,270	473,181,032
	Lumax Ancillary Ltd.	-	-	-	-	18,119,303	12,947,363	18,119,303	12,947,363
	<b>Total</b>	-	-	-	-	<b>533,443,943</b>	<b>486,128,395</b>	<b>533,443,943</b>	<b>486,128,395</b>
	<b>Purchases of other &amp; Jobwork</b>								
	Lumax Industries Ltd.	-	-	-	-	2,208,781	686,492	2,208,781	686,492
	Lumax Ancillary Ltd.	-	-	-	-	5,585	-	5,585	-
	Lumax DK Auto Industries Ltd	-	-	-	-	8,089,920	-	8,089,920	-
	Lumax Tours & Travels Ltd	-	-	-	-	9,778,072	8,857,961	9,778,072	8,857,961
	Cor-Tubi ( Italy )	-	-	-	-	-	1,772	-	1,772
	<b>Total</b>	-	-	-	-	<b>20,082,358</b>	<b>9,546,224</b>	<b>20,082,358</b>	<b>9,546,224</b>
	<b>Purchase of Packing Material</b>								
	Mahavir Udyog	-	-	-	-	2,126,546	1,899,773	2,126,546	1,899,773
	<b>Total</b>	-	-	-	-	<b>2,126,546</b>	<b>1,899,773</b>	<b>2,126,546</b>	<b>1,899,773</b>
	<b>Sale of Capital Goods</b>								
	Lumax Industries Ltd.	-	-	-	-	714,483	17,878,687	714,483	17,878,687
	<b>Total</b>	-	-	-	-	<b>714,483</b>	<b>17,878,687</b>	<b>714,483</b>	<b>17,878,687</b>
	<b>Purchases of Capital Goods</b>								
	Lumax Industries Ltd.	-	-	-	-	78,744,366	17,935,588	78,744,366	17,935,588
	<b>Total</b>	-	-	-	-	<b>78,744,366</b>	<b>17,935,588</b>	<b>78,744,366</b>	<b>17,935,588</b>
	<b>Lease Rent-Paid</b>								
	Mrs. Usha Jain	2,148,000	2,052,000	-	-	-	-	2,148,000	2,052,000
	Lumax Industries Ltd.	-	-	-	-	4,965,457	4,821,252	4,965,457	4,821,252
	Lumax DK Auto Industries Ltd	-	-	-	-	8,764,080	-	8,764,080	-
	<b>Total</b>	<b>2,148,000</b>	<b>2,052,000</b>	-	-	<b>13,729,537</b>	<b>4,821,252</b>	<b>15,877,537</b>	<b>6,873,252</b>
	<b>Lease Rent-Received</b>								
	Mahavir Udyog	-	-	-	-	210,742	210,742	210,742	210,742
	Lumax Industries Ltd.	-	-	-	-	12,254,868	9,191,157	12,254,868	9,191,157
	Lumax Mannoh Allied Technologies Ltd	-	-	-	-	8,764,080	-	8,764,080	-
	<b>Total</b>	-	-	-	-	<b>21,229,690</b>	<b>9,401,899</b>	<b>21,229,690</b>	<b>9,401,899</b>
	<b>Managerial Remuneration &amp; Commission</b>								
	Mr. Anmol Jain	6,140,576	-	-	3,215,521	-	-	6,140,576	3,215,521
	Mr. D.K.Jain	7,842,048	-	-	1,741,661	-	-	7,842,048	1,741,661
	Mrs. Usha Jain	910,336	17,223,650	-	-	-	-	910,336	17,223,650
	Mr. Deepak Jain	-	-	4,380,109	1,473,860	-	-	4,380,109	1,473,860
	Mrs. Shivani Jain	9,646,798	14,738,604	-	-	-	-	9,646,798	14,738,604
	Mrs. Poysha Goyal Jain	9,646,798	14,738,604	-	-	-	-	9,646,798	14,738,604
	<b>Total</b>	<b>34,186,556</b>	<b>46,700,858</b>	<b>4,380,109</b>	<b>6,431,042</b>	-	-	<b>38,566,665</b>	<b>53,131,900</b>
	<b>Providend Fund &amp; Perquisites</b>								
	Mr. Anmol Jain	404,756	-	-	-	-	-	404,756	-
	Mr. D.K.Jain	2,036,676	-	-	-	-	-	2,036,676	-
	Mrs. Usha Jain	2,806,819	192,961	-	-	-	-	2,806,819	192,961
	<b>Total</b>	<b>5,248,251</b>	<b>192,961</b>	-	-	-	-	<b>5,248,251</b>	<b>192,961</b>

(Amount in Rs.)

S. No.	Account Head	Key management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key Management Personnel or their relatives		Total	
		2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
	<b>Dividend Paid</b>								
	Mr. Anmol Jain	-	-	5,173,440	5,173,440	-	-	5,173,440	5,173,440
	Mr. D.K.Jain	-	-	9,931,542	11,281,542	-	-	9,931,542	11,281,542
	Mr. Deepak Jain	-	-	5,487,912	5,487,912	-	-	5,487,912	5,487,912
	Mrs. Usha Jain	2,782,272	2,782,272	-	-	-	-	2,782,272	2,782,272
	Mrs. Shivani Jain	-	-	270,000	270,000	-	-	270,000	270,000
	D.K. Jain Family Trust	-	-	-	-	244,740	244,740	244,740	244,740
	D.K. Jain and Sons (HUF)	-	-	-	-	7,085,826	7,085,826	7,085,826	7,085,826
	Lumax Finance Pvt. Ltd.	-	-	-	-	14,533,584	9,724,284	14,533,584	9,724,284
	Vardhman Agencies Pvt. Ltd	-	-	-	-	22,680	25,560	22,680	25,560
	<b>Total</b>	<b>2,782,272</b>	<b>2,782,272</b>	<b>20,862,894</b>	<b>22,212,894</b>	<b>21,886,830</b>	<b>17,080,410</b>	<b>45,531,996</b>	<b>42,075,576</b>
	<b>Dividend Received</b>								
	Lumax Industries Ltd.	-	-	-	-	2,362,500	3,150,000	2,362,500	3,150,000
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,362,500</b>	<b>3,150,000</b>	<b>2,362,500</b>	<b>3,150,000</b>
	<b>Advance Received</b>								
	Lumax DK Electric Engineering India Pvt. Ltd	-	-	-	-	-	1,800,000	-	1,800,000
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,800,000</b>	<b>-</b>	<b>1,800,000</b>
	<b>Repayment of Advance</b>								
	Lumax DK Electric Engineering India Pvt. Ltd	-	-	-	-	-	5,00,000	-	500,000
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>500,000</b>
	<b>Expenditure Incurred On Their/our behalf</b>								
	Lumax Industries Ltd.	-	-	-	-	366,442	(274,275)	366,442	(274,275)
	Mahavir Udyog	-	-	-	-	-	1,220	-	1,220
	Lumax Ancillary Ltd.	-	-	-	-	(224,720)	-	(224,720)	-
	Lumax DK Electric Engineering India Pvt. Ltd	-	-	-	-	-	511,346	-	511,346
	Lumax Mannoh Allied Technologies Ltd	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141,722</b>	<b>238,291</b>	<b>141,722</b>	<b>238,291</b>
<b>B)</b>	<b>BALANCE AT THE YEAR END</b>								
	<b>Receivables</b>								
	Lumax Industries Ltd	-	-	-	-	386,746,522	441,615,791	386,746,522	441,615,791
	Lumax Ancillary Ltd.	-	-	-	-	8,163,100	4,863,788	8,163,100	4,863,788
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>394,909,622</b>	<b>446,479,579</b>	<b>394,909,622</b>	<b>446,479,579</b>
	<b>Security Deposit</b>								
	Lumax Industries Ltd	-	-	-	-	25,000,000	25,000,000	25,000,000	25,000,000
	Lumax Industries Ltd-Maximum Amount Outstanding During the Year	-	-	-	-	25,000,000	25,000,000	25,000,000	25,000,000
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000,000</b>	<b>25,000,000</b>	<b>25,000,000</b>	<b>25,000,000</b>
	<b>Warranty Claim</b>								
	Lumax Industries Ltd	-	-	-	-	182,509	-	182,509	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>182,509</b>	<b>-</b>	<b>182,509</b>	<b>-</b>
	<b>Investment</b>								
	Lumax Industries Ltd	-	-	-	-	193,783,106	193,783,106	193,783,106	193,783,106
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193,783,106</b>	<b>193,783,106</b>	<b>193,783,106</b>	<b>193,783,106</b>
	<b>Total ( Receivable)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>613,875,237</b>	<b>665,262,685</b>	<b>613,875,237</b>	<b>665,262,685</b>
	<b>Payables</b>								
	Bharat Enterprises	-	-	-	-	2,195,281	5,653,213	2,195,281	5,653,213
	Lumax Ancillary Ltd.	-	-	-	-	127,862,266	112,336,407	127,862,266	112,336,407
	Lumax Industries Ltd	-	-	-	-	190,891,746	162,977,536	190,891,746	162,977,536
	Lumax Tours & Travels Ltd	-	-	-	-	872,491	891,719	872,491	891,719
	Lumax DK Electric Engineering India Pvt. Ltd	-	-	-	-	-	788,654	-	788,654
	Mahavir Udyog	-	-	-	-	663,918	417,476	663,918	417,476
	Mr. Anmol Jain	3,737,750	-	-	3,215,521	-	-	3,737,750	3,215,521
	Mr. D.K.Jain	886,500	-	-	1,741,661	-	-	886,500	1,741,661
	Mr. Deepak Jain	-	-	4,380,109	1,473,860	-	-	4,380,109	1,473,860
	Mrs. Shivani Jain	-	-	7,330,679	12,365,670	-	-	7,330,679	12,365,670
	Mrs. Poysha Goyal Jain	-	-	7,370,213	12,369,170	-	-	7,370,213	12,369,170
	<b>Total</b>	<b>4,624,250</b>	<b>-</b>	<b>19,081,001</b>	<b>31,165,882</b>	<b>322,485,702</b>	<b>283,065,005</b>	<b>346,190,953</b>	<b>314,230,887</b>

\* Previous years figures have been recast / re-grouped wherever necessary, to make them comparable.

As per our report of even date

**For D. R. Barve & Co.**  
**Chartered Accountants**  
**Firm Registration No. 101034W**

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

**CA D. R. Barve**  
**Proprietor**  
**M. No. 17661**

**D. K. Jain**  
**Chairman**

**Anmol Jain**  
**Managing Director**

**Place : New Delhi**  
**Date : May 29, 2014**

**Ashish Dubey**  
**Head Finance**

**Pratik Dhuri**  
**Company Secretary**

# Lumax Auto Technologies Limited

## Lumax Auto Technologies Limited

Registered Office: Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune – 411026  
Website: www.lumaxautotech.com, Tel: 020 66304603, 66304606 Fax: 020 66304624  
Email: shares@lumaxautotech.com, CIN:L31909MH1981PLC025519

### NOTICE TO MEMBERS

(Note: The business of this meeting may be transacted through electronic voting system)

Notice is hereby given that the 33rd Annual General Meeting of the Members of Lumax Auto Technologies Limited will be held as under:

**Day : Wednesday**  
**Date : July 23, 2014**  
**Time : 3.00 P.M.**  
**Venue : Spree Shivai Hotel, Celebrate Hall, 1st Floor,  
H-Block, A-70, MIDC, Pimpri, Pune-411018.**

to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Annual Accounts for the year ended March 31, 2014 and the Auditors and Directors Reports thereon.
2. To declare Dividend on Equity Shares as recommended by the Board of Directors.
3. To appoint a Director in place of Mr. Anmol Jain, who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm registration number 301003E) as Statutory Auditors of the company in place of M/s D.R. Barve & Co., Chartered Accountants, the retiring Statutory Auditors, who have shown their unwillingness to be re-appointed, to hold office of Auditors from the conclusion of this Annual General meeting until the conclusion of the Sixth consecutive Annual General meeting of the company to be held after this meeting, subject to ratification by the members at every Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

#### SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“Resolved that** in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of the Central Government and other authorities, if applicable, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. D. K. Jain (DIN 00085848), as Executive Chairman of the Company, for a period of 5 (five) years with effect from August 7, 2013 on the terms and conditions including remuneration as set out in the Explanatory Statement as annexed to the Notice convening this meeting, with liberty and authority to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions and/ or remuneration, subject to the provisions of applicable laws and approvals and/ or as may be directed by the Central Government, if any, and agreed to by the said Executive Chairman.

**Resolved further that** in the event of absence of or inadequacy of net profit during any of the Financial Year, the remuneration to the Executive Chairman shall be further restricted within the ceiling specified in Section II of Part II of Schedule V of the Companies Act, 2013.

**Resolved further that** for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to take all necessary steps in this regard in order to facilitate the legal and / or procedural formalities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“Resolved that** in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to the approval of the Central Government and other authorities, if applicable, the consent of the members of the Company be and is hereby accorded to the appointment of Mr. Anmol Jain (DIN 00004993), as Managing Director, for a period of 5 (five) years with effect from August 7, 2013

on the terms and conditions including remuneration as set out in the Explanatory Statement as annexed to the Notice convening this meeting, with liberty and authority to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions and / or remuneration, subject to the provisions of applicable laws and approvals and / or as may be directed by the Central Government, if any, and agreed to by the said Managing Director.

**Resolved further that** since the period of office of Mr. Anmol Jain as Director is liable to determination by retirement by rotation, he shall continue to hold office of Managing Director as soon as he is reappointed as a director immediately on retirement by rotation and such reappointment as director shall not be deemed to constitute a break in his appointment as Managing Director.

**Resolved further that** in the event of absence of or inadequacy of net profit during any of the Financial Year, the remuneration to the Managing Director shall be further restricted within the ceiling specified in Section II of Part II of Schedule V of the Companies Act, 2013.

**Resolved further that** for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to take all necessary steps in this regard in order to facilitate the legal and / or procedural formalities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with powers on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"Resolved that** Mr. Deepak Jain (DIN 00004972), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 (corresponding relevant provisions under Section 161 of the Companies Act, 2013) and Article 48 of Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member as required under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

8. 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 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Roop Salotra (DIN 06650145), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and Article 48 of Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member as required under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years commencing from July 23, 2014, not liable to retire by rotation."

9. 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 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Milap Jain (DIN 06738071), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161 of the Companies Act, 2013 and Article 48 of Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member as required under Section 160 of the Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years commencing from July 23, 2014, not liable to retire by rotation."

10. 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 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Sandeep Dinodia (DIN 00005395), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years commencing from July 23, 2014, not liable to retire by rotation."

11. 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 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Dhiraj Dhar Gupta (DIN 01089718), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years commencing

# Lumax Auto Technologies Limited

from July 23, 2014, not liable retire by rotation."

12. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"Resolved that** in supersession of the Ordinary Resolution passed by the members at the Annual General Meeting held on July 26, 2010 and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as "Board", which term be deemed to include any Committee thereof) of the Company for exercising existing borrowing powers, from time to time, such sums or sums of money, as they deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business), remaining outstanding at any point of time will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; provided that the total amount so borrowed by the Board shall not at any time exceed the limit of Rs. 200 Crores, on such terms and conditions as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.

**Resolved further that** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and all other applicable provisions, if any, the consent of the members of the Company be and is hereby also accorded to the Board of Directors of the Company to Mortgage and/or create Charge on all or any one or more of the immovable or moveable properties or such other assets of the Company, wherever situated, both present and future, and whole or part of the undertakings of the Company of any nature and kind whatsoever in favour of banks, financial institutions any other lenders whether Indian or International (hereinafter referred as "Lenders") to secure the amount borrowed/to be borrowed by the Company from such "Lenders" from time to time for the due payment of the principal monies together with the interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damages, commitment charges or any other charges in respect of such borrowings and such security to rank in such manner as may be agreed to between the concerned Lender and as may be thought expedient by the Board.

**Resolved further that** the Board or any person authorized by the Board, be and is hereby authorized to negotiate and settle the terms and conditions with the concerning Banks / Financial Institutions etc., finalise the agreements, deeds and other documents for creating the mortgage, charges, liens, hypothecation, assignment, transfer and / or other form of securities and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

**BY ORDER OF THE BOARD**

Place : New Delhi  
Date : May 29, 2014

Pratik Dhuri  
Company Secretary

## NOTES:

- Proxies:** A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and such a proxy need not be a member of the Company. A proxy to be effective shall be deposited at registered office of the Company not less than forty eight hours before the commencement of the meeting. Attendance cum Proxy Form is attached.  
  
**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 17, 2014 to Wednesday, July 23, 2014 (both days inclusive).
- Annual Report:** The member or his proxy is requested to bring their copy of this annual report to the meeting as extra copies will not be distributed at the Venue of the meeting.
- AGM-Attendance Slip:** Members / Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting. Entry to the meeting venue will be strictly against entry slips available at the counters at the venue and against exchange of valid attendance slip.
- Dividend Entitlement :** Dividend on Equity Shares, as recommended by the Directors, if declared at the meeting will be payable to those members whose names appear on the Register of Members of the Company, in the case of beneficial owners as at the close of July 16, 2014, as per the beneficial ownership data furnished by NSDL / CDSL for the purpose and in respect of Shares held in physical form after giving effect to all valid Share Transfers in physical form, which are lodged with the Company before July 17, 2014.

Dividend Amount of Shareholders holding shares in Electronic Form and to those Shareholders holding in Physical Form, who

have given their Bank details, will be credited to their respective Bank Account through ECS / NECS, wherever such facilities are available, soon after the declaration of the Dividend in the AGM. Dividend Drafts in respect of Shareholders holding Shares in Physical Form will be sent through post by August 13, 2014 (tentative date). In order to avoid the fraudulent encashment, such Shareholders are requested to furnish their Bank Account Number and Bank's name so as to incorporate the same in the Dividend Drafts, immediately, if not submitted earlier. If there is any change in the Bank Account of Demat Shareholders, they are requested to intimate the same to their respective Depository Participants for their further action.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), the amount of Dividend unclaimed or unpaid for a period of 7 years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education & Protection Fund set up by Government of India and no claim shall lie against the Fund or the Company after the transfer of Unpaid or Unclaimed dividend amount to the Government.

The Unpaid Dividend Amount for the financial year 2006-07 is due for transfer to the Investor Education & Protection Fund in the month of November, 2014. Members who have not encashed their Dividend for the financial year 2006-07 and onwards are therefore, requested to make their claims to the Company immediately.

6. **Joint Holder:** In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
7. **Change of Address:** The Members holding shares in physical mode are requested to intimate to the Registrar and ShareTransfer Agent M/s Bigshare Services Private Limited immediately, if there is any change in their registered address. Demat Shareholders should inform the change of address to their respective Depository Participants.
8. **Corporate Member:** Corporate member intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (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/ Registrar and Share Transfer Agent.
10. **Declaration:** Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite consents/ declarations for their appointment/re-appointment.
11. **Gift:** No gift will be distributed at the Annual General Meeting.
12. **Security:** Owing to security concerns, briefcases, bags, eatables and the like are not allowed to be carried inside the meeting venue. Members attending are requested to make their own arrangement for the safe keeping of their belongings.
13. **Queries:** Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 15 days before the ensuing Annual General Meeting.
14. This notice should also be construed as the special notice required under Section 140(4) read with Section 115 of the Companies Act, 2013 with respect to the Item No. 4 of the accompanying notice. An explanatory statement is also annexed with respect to the Item No. 4.
15. **Explanatory Statement:** Pursuant to Section 102(1) of the Companies Act, 2013 Explanatory Statement in respect of special business to be transacted at the meeting is furnished hereunder.
16. All documents referred in the Notice and explanatory statement will be available for inspection by the members at the registered office of the company between 11 am to 1 pm on all working days upto the day of the Annual General Meeting.
17. The Notice of AGM, Annual Report, Attendance Slip and instructions for e-voting are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the aforesaid documents are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s).  
  
Members who have still not registered their e-mail addresses are requested to register their e-mail addresses, in respect of shares held in electronic mode, with their depository participant and in respect of the shares held in physical mode, with the company/ Big Share Services Pvt. Ltd., the Registrar and Share Transfer Agent.
18. Notice of this Annual General Meeting, Audited Financial Statement for 2013-14 together with Directors' Report and Auditors' Report are available on the website of the Company [www.lumaxautotech.com](http://www.lumaxautotech.com).

## EXPLANATORY STATEMENT:

### Item No. 4

M/s D.R. Barve & Co., Chartered Accountants, retiring auditors have expressed their unwillingness to be reappointed as Statutory Auditors of the Company and it is proposed to appoint M/s S.R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditors. M/s S.R. Batliboi & Co. LLP, have given their consent to be appointed as Statutory Auditors and have confirmed that their appointment, if made, would be in compliance with the relevant provisions of Chapter X of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Their appointment was also recommended by the Audit Committee and the Board of Directors at its meeting held on 29th May, 2014. Pursuant to Section 140(4) read with Section 115, a special notice is required to be given to the members of the Company if a person other than the retiring auditor is appointed as statutory auditor.

Special notice is hereby given to the members of the Company to appoint M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General meeting until the conclusion of Sixth Annual General meeting of the company to be held after this meeting, subject to ratification by the members at every Annual General Meeting.

None of the Directors is interested or concerned in the said resolution.

### Item No. 5

Mr. D.K. Jain, aged 71 years, is the Founder Chairman of the Company. Under his leadership, the Company has carved its strong position in automotive parts and captured sizable market in its arena. He is a MBA from University of Delhi and did Owner/ President Program from Harvard Business School, USA.

Keeping in view of his experience of 52 years in automotive industry and immense contribution to the Board as Non-Executive Chairman of the Company and in the interest of overall growth of the Company and Shareholders, the Board of Directors at their meeting held on August 7, 2013 has appointed Mr. D.K. Jain as Executive Chairman of the Company for a period of 5 (five) Years w.e.f. August 7, 2013 subject to the approval of members in the ensuing Annual General Meeting, on the terms and conditions including remuneration as set out below.

The aforesaid proposal has been approved and recommended by Remuneration Committee considering financial position of the Company, trend in the Industry, appointee qualification and experience among others and also by the Board of Directors at their meeting held on August 7, 2013, subject to the approval of members in the ensuing Annual General Meeting.

### Details of Remuneration

Particulars	Mr. D.K. Jain
Effective Term & Period of Remuneration	August 7, 2013 onwards
Salary	Rs. 5,50,000 per month
House Rent Allowance	Rs. 2,75,000 per month
Total	Rs. 8,25,000 per month
Commission	Up to 5% per annum of the Net Profits of the Company, calculated in accordance with the provisions of the Companies Act, 2013. The commission may be paid quarterly, half yearly or annually as the Board may determine from time to time subject to overall limits of remuneration prescribed under Section 197 of the Companies Act, 2013.

In addition to the above remuneration, the Executive Chairman shall also be entitled for the Perquisites which shall include reimbursement of all expenses on Electricity, Security Guards, Club Membership Fees, Leave Travel Concession, Medical, Mediclaim and personal accidental insurance premium, on actual basis, if incurred by him on self or on spouse and the dependent children as the case may be, contribution to the Statutory Payments viz. Provident Fund, Superannuation Fund, Bonus, Gratuity, Leave Encashment, Retirement benefits and other facilities, benefits and incentives as admissible to his cadre as per the rules of the Company in respect of above remuneration. However, this shall further be within the overall ceiling as specified in Schedule V of the Companies Act, 2013.

The value of perquisites and allowances shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Apart from the above Remuneration, the Executive Chairman shall be entitled to use of Company's Car with Driver for official duties, telephone(s), mobile phone, reimbursement of expenses incurred in connection with the business of the Company including entertainment expenses, travelling and hotel expenses.

Provided further that the use of Company maintained car(s) for official duties, telephone(s), mobile phone, traveling and hotel expenses incurred for business purpose shall not be included in the computation of perquisites and allowances for the purpose of calculating ceiling of Remuneration.

Pursuant to the then existing Section 302 of the Companies Act, 1956, an Abstract of the terms of his appointment as Executive Chairman and the Memorandum of Interest dated August 7, 2013 was sent to the members for their information.

None of the Directors except Mr. Deepak Jain and Mr. Anmol Jain, being related to Mr. D.K. Jain, is interested in the above resolution.

Since, Mr. D.K. Jain has attained the age of 71 years, approval of the members for his appointment is sought by a special resolution. Your Directors recommend the resolution set forth in Item No. 5 for approval of the members.

#### Item No. 6

Mr. Anmol Jain, aged 35 years, is one of the Promoter Directors of the Company. He is a B.B.A (Hons.) from Michigan State University, USA and has 13 years of work experience in the manufacturing Automotive Components. He is holding various positions in different associations like ACMA, CII etc.

Keeping in view of the increase in operations of the Company, various expansion plans under implementation, and also in order to meet the new challenges in the fast changing business environment and keeping in view his experience in the automotive industry, the Board of Directors at their meeting held on August 7, 2013 has appointed Mr. Anmol Jain as Managing Director of the Company for a period of 5 (five) Years w.e.f. August 7, 2013, subject to the approval of members in the ensuing Annual General Meeting, on the terms and conditions including remuneration as set out below.

The aforesaid proposal has been approved and recommended by Remuneration Committee considering financial position of the Company, trend in the Industry, appointee qualification and experience among others and also by the Board of Directors at their meeting held on August 7, 2013, subject to the approval of members in the ensuing Annual General Meeting.

#### Details of Remuneration

Particulars	Mr. Anmol Jain
Effective Term & Period of Remuneration	August 7, 2013 onwards
Salary	Rs. 1,90,000 per month
House Rent Allowance	Rs. 95,000 per month
Total	Rs. 2,85,000 per month
Commission	Up to 5% per annum of the Net Profits of the Company, calculated in accordance with the provisions of the Companies Act, 2013. The commission may be paid quarterly, half yearly or annually as the Board may determine from time to time subject to overall limits of remuneration prescribed under Section 197 of the Companies Act, 2013.

In addition to the above remuneration, the Managing Director shall also be entitled for the Perquisites which shall include reimbursement of all expenses on Electricity, Security Guards, Club Membership Fees, Leave Travel Concession, Medical, Mediclaim and personal accidental insurance premium, on actual basis, if incurred by him on self, spouse, the dependent parent(s) and dependent children as the case may be, contribution to the Statutory Payments viz. Provident Fund, Superannuation Fund, Bonus, Gratuity, Leave Encashment, Retirement benefits and other facilities, benefits and incentives as admissible to his cadre as per the rules of the Company in respect of above remuneration. However, this shall further be within the overall ceiling as specified in Schedule V of the Companies Act, 2013.

The value of perquisites and allowances shall be evaluated as per Income Tax Rules wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

Apart from the above Remuneration, the Managing Director shall be entitled to use of Company's Car with Driver for official duties, telephone(s), mobile phone, reimbursement of expenses incurred in connection with the business of the Company including entertainment expenses, travelling and hotel expenses.

Provided further that the use of Company maintained car(s) for official duties, telephone(s), mobile phone, traveling and hotel expenses incurred for business purpose shall not be included in the computation of perquisites and allowances for the purpose of calculating ceiling of Remuneration.

Pursuant to the then existing Section 302 of the Companies Act, 1956, an Abstract of the terms of his appointment as Managing Director and the Memorandum of Interest dated August 7, 2013 was sent to the members for their information.

# Lumax Auto Technologies Limited

None of the Directors except Mr. D.K. Jain and Mr. Deepak Jain, being related to Mr. Anmol Jain, is interested in the above resolution.

Your Directors recommend the resolution set forth in Item No.6 for approval of the members as Special Resolution.

## Item No. 7

The Board of Directors of the Company appointed Mr. Deepak Jain as an Additional Director on the Board of the Company at their Meeting held on 23rd August, 2013. He shall hold office upto the date of ensuing Annual General Meeting and is to be appointed as regular director, liable to retire by rotation.

### Brief Background of Mr. Deepak Jain as required in terms of Listing Agreement.

Mr. Deepak Jain, aged 39 years, is one of the Promoters of the Company. He is a B.B.A. from Illinois Institute of Technology, USA with specialization in Operations Management & International Business. He has undergone extensive training at II Stanley Co. Inc., U.S.A. and Stanley Electric Co., Ltd. Japan after qualifying his B.B.A. He has 18 years of work experience in the manufacturing Automotive Components. He is holding various positions in different associations like ACMA, YPO, etc.

The Board considers that the appointment of Mr. Deepak Jain as Director will be beneficial for the Company considering his experience and Business acumen specifically in Automotive Component Industry.

Therefore, the Board recommends his appointment. Notice under Section 160 of the Companies Act, 2013, proposing his candidature as Director has been received from a member of the Company. In accordance with the provisions of Clause 49 of the Listing Agreement, it is disclosed that he holds 914,652 number of Shares in the Company, prior to his appointment as Director.

None of the Directors except Mr. D.K. Jain and Mr. Anmol Jain, being related to Mr. Deepak Jain, is interested in the above resolution.

Additional Information as per Clause 49 of the Listing Agreement:

Name of Public Companies in which Directorship held.	<ol style="list-style-type: none"> <li>1. Lumax Industries Limited</li> <li>2. Lumax DK Auto Industries Limited</li> <li>3. Lumax Ancillary Limited</li> <li>4. Lumax Tours &amp; Travels Limited</li> <li>5. SL Lumax Limited</li> </ol>
Chairman/Member of the Committee of the Board of Public Companies other than Lumax Auto Technologies Limited	<p>Lumax Industries Limited</p> <ol style="list-style-type: none"> <li>1. Audit Committee – Member</li> <li>2. Shareholders/Investors Grievance &amp; Share Transfer Committee – Member</li> </ol>
Relationship with Directors Interse	Related as son to Mr. D.K. Jain and Brother to Mr. Anmol Jain.

Your Directors recommend the resolution set forth in Item No. 7 for approval of the members as Ordinary Resolution.

## Item No.8

The Board of Directors have appointed Mr. Roop Salotra as an Additional Director, designated as Independent Director on the Board of the Company at their Meeting held on October 29, 2013, in compliance with the provisions of Clause 49 of the Listing Agreement. He shall hold office upto the date of ensuing Annual General Meeting and is to be appointed as regular director.

### Brief Background of Mr. Roop Salotra as required in terms of Listing Agreement.

Mr. Roop Salotra, aged 63 years, is a Mechanical Engineer and has done various Management Programs including Executive program in strategy & organization at Stanford Business School.

He has retired from SRF Group, after spending 24 years as CEO and president. He is actively involved with Confederation of Industry (CII), particularly National Council on Environment and National Council on Climate Change. He is former Chairman of Indian Chemical Council (ICC) (Northern region).

The Board considers that the appointment of Mr. Roop Salotra as Director will be beneficial for the Company considering his experience and leadership roles across the various business verticals and profit centre responsibilities in his previous role.

Therefore, the Board recommends his appointment. Notice under Section 160 of the Companies Act, 2013, proposing his candidature as Director has been received from a member of the Company. In accordance with the provisions of Clause 49 of the Listing Agreement, it is disclosed that he holds NIL number of Shares in the Company, prior to his appointment as Director.

The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM. It is therefore, proposed to appoint Mr. Roop Salotra as Independent Director for a period of 5 consecutive years in the ensuing Annual General Meeting, not liable to retire by rotation.

None of the Directors except Mr. Roop Salotra is interested in this resolution.

Additional Information as per Clause 49 of the Listing Agreement:

Name of Public Companies in which Directorship held	SRF Transnational Holdings Limited
Chairman / Member of the Committee of the Board of Public Companies other than Lumax Auto Technologies Limited	NIL
Relationship with Directors Interse	Not related to any Director

Your Directors recommend the resolution set forth in Item No. 8 for approval of the members as Ordinary Resolution.

#### Item No. 9

The Board of Directors have appointed Mr. Milap Jain as an Additional Director, designated as Independent Director on the Board of the Company at their Meeting held on February 12, 2014, in compliance with the provisions of Clause 49 of the Listing Agreement. He shall hold office upto the date of ensuing Annual General Meeting and is to be appointed as regular director.

#### Brief Background of Mr. Milap Jain as required in terms of Listing Agreement.

Mr. Milap Jain, aged 62 years, is a Graduate in Political Science (H) from Ravenshaw College, Cuttack. He is a retired Indian Revenue Service Officer and served the Government of India for over 38 years.

In his last role as Chief Commissioner of Income Tax, Delhi, he was responsible for administration & Tax Collection of the entire Delhi region. Prior to that, he represented the country in various International forums and oversaw Transfer Pricing Issues and Taxation & assessment of non-residents & foreign companies as Director General of International taxation. He has received the Prime Minister's Award for Excellence in Public Administration.

The Board considers that the appointment of Mr. Milap Jain as Director will be beneficial for the Company considering his experience and skills like People Management, Public administration and Tax Policy planning.

Therefore, the Board recommends his appointment. Notice under Section 160 of the Companies Act, 2013, proposing his candidature as Director has been received from a member of the Company. In accordance with the provisions of Clause 49 of the Listing Agreement, it is disclosed that he holds NIL number of Shares in the Company, prior to his appointment as Director.

The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM. It is therefore, proposed to appoint Mr. Milap Jain as Independent Director for a period of 5 consecutive years in the ensuing Annual General Meeting, not liable to retire by rotation.

None of the Directors except Mr. Milap Jain is interested in this resolution.

Additional Information as per Clause 49 of the Listing Agreement:

Name of Public Companies in which Directorship held	NIL
Chairman / Member of the Committee of the Board of Public Companies other than Lumax Auto Technologies Limited	NIL
Relationship with Directors Interse	Not related to any Director

Your Directors recommend the resolution set forth in Item No. 9 for approval of the members as Ordinary Resolution.

#### Item No. 10 and 11

In accordance with the relevant provisions of the Articles of Association of the Company and the provisions of erstwhile Companies Act, 1956, Mr. Sandeep Dinodia and Mr. Dhiraj Dhar Gupta, Independent Directors were appointed / re-appointed by the Members of the Company in the erstwhile Annual General Meetings of the Company. The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

It is therefore proposed to appoint Mr. Sandeep Dinodia and Mr. Dhiraj Dhar Gupta as Independent Directors for a period of 5 consecutive years in the ensuing Annual General Meeting, not liable to retire by rotation.

Except Mr. Sandeep Dinodia and Mr. Dhiraj Dhar Gupta, being appointees in their respective resolutions, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out in Item No. 10 and 11.

# Lumax Auto Technologies Limited

Additional Information as per Clause 49 of the Listing Agreement:

PARTICULARS	MR. SANDEEP DINODIA	MR. DHIRAJ DHAR GUPTA
Date of Birth & Age	07-04-1962 52 Years	09-07-1950 63 Years
Date of First Appointment	15-06-2006	25-06-2007
Qualification	B.Com, LL.B, FCA	B.Com. (H) from Shri Ram College of Commerce, Delhi University
Experience & Expertise	<p>He is a Practicing Chartered Accountant and has over 25 years of experience in the fields of Assurance, Financial &amp; Legal Corporate Consulting and Taxation. He also has several years of experience in auditing Non Government Funded projects of various entities, which have a socio-economic impact. He has also been involved with compilation of systems of developmental projects in India, funded by various international agencies.</p>	<p>He has almost three decades of rich and wide experience in Manufacturing Automobile Components, Finance and Marketing. After graduation he setup independently a paper packaging unit in Delhi and in Nigeria in 1977.</p> <p>In 1985 he promoted Abhishek Auto Industries Limited for manufacturing Safety Seat Belts first time in India with a technical tie-up with a Japanese Company – Ashimori Industries and started supplying to major car manufacturers like Maruti Suzuki India Ltd., Tata Motors, Mahindra &amp; Mahindra, Honda India, Volkswagen, Hindustan Motors, Swaraj Mazda etc. Now in JV with Key Safety Systems of USA the company has started supplying Global Model Seat belts and also exporting Seat Belts all around the globe.</p>
Name of Public Companies in which Directorship held other than Lumax Auto Technologies Limited	<ol style="list-style-type: none"> <li>1. Hero Motors Limited</li> <li>2. Hi-Tech Gears Limited</li> <li>3. Hero Cycles Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Lumax Industries Limited</li> <li>2 Lumax DK Auto Industries Limited</li> <li>3 M M Auto Industries Limited</li> <li>4 Delhi Race Club 1940 Limited</li> <li>5. M M Asan Auto Limited</li> </ol>
Chairman/Member of the Committee of the Board of Public Companies other than Lumax Auto Technologies Limited	<ol style="list-style-type: none"> <li>1 Hero Motors Limited - Audit Committee (Chairman)</li> <li>2 Hi-Tech Gears Limited -Audit Committee (Chairman) and Shareholders / Investor Grievance Committee (Member)</li> <li>3 Hero Cycles Limited -Audit Committee (Chairman)</li> </ol>	<ol style="list-style-type: none"> <li>1. Lumax Industries Limited - Shareholder / Investors Grievance &amp; Share Transfer Committee (Chairman) and Audit Committee (Member)</li> </ol>
Relationship with Directors Interse	Not related with any Director	Not related with any Director
No of Shares held in the Company	NIL	NIL

Your Directors recommend the resolutions set forth in Item No. 10 and 11 for approval of the members as Ordinary Resolution.

## Item No. 12

The members of the Company at their Annual General Meeting held on July 26, 2010 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 200 Crores (Rupees two hundred crores only) and also authorized the Board of Directors under Section 293(1)(a) of the Companies Act, 1956 to mortgage and / or create charge on all or any one of the movable/ immovable properties or such

other assets of the Company to secure the amount borrowed / to be borrowed by the Company.

Section 180(1) (a) and (c) of the Companies Act, 2013 effective from September 12, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business and also shall not mortgage and/ create charge on the properties, except with the consent of the company accorded by way of a special resolution.

In terms of the General Circular No. 04/2014 dated 25-03-2014 issued by the Ministry of Corporate Affairs the resolution passed under Section 293 of the Companies Act, 1956 with reference to borrowings and creation of security on assets of the company will be valid for a period of one year from September 12, 2013. It is therefore proposed to ratify the aforesaid powers of the Board by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 12.

Your Directors recommend the Resolution as set out in Item No. 12 of the Notice as Special Resolution.

**Brief details of Directors seeking Appointment / Re-Appointment as per Clause 49 (IV)(G) of the Listing Agreement.**

PARTICULARS	MR. ANMOL JAIN
Date of Birth & Age	29-04-1979 35 Years
Date of First Appointment	03-04-2004
Qualification	B.B.A (Hons.) from Michigan State University, U.S.A.
Experience & Expertise	He started his career as management Trainee in M/s GHSP, U.S.A. and thereafter joined M/s Lumax GHSP Industries Limited in India, as Vice President on 05-12-2000 one of the Group Companies. Mr. Anmol Jain joined the Lumax Industries Limited on 01-11-2003 as Vice President and was thereafter appointed as Executive Director on its Board on 23-07-2004. Presently, he is Senior Executive Director of Lumax Industries Limited. He holds following positions in different Associations: 1. Past Chairman of Haryana State Council of Confederation of Indian Industry (CII). 2. Regional Council Member & Zonal Coordinator of Automotive Component Manufacturer Association of India (ACMA)– NR 3. Member of Young Business Leaders Forum (YBLF) in ACMA.
Name of Public Companies in which Directorship held other than Lumax Auto Technologies Limited.	1) Lumax DK Auto Industries Limited 2) Lumax Industries Limited 3) Lumax Tours and Travels Limited
Chairman / Member of the Committee of the Board of Public Companies other than Lumax Auto Technologies Ltd.	NIL
Relationship with Directors Interse	Related as Son to Mr. D. K. Jain and Brother to Mr. Deepak Jain.
No. of Shares held in the Company	862,240

# Lumax Auto Technologies Limited

## LUMAX AUTO TECHNOLOGIES LIMITED

Registered Office: Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune – 411026  
Website: [www.lumaxautotech.com](http://www.lumaxautotech.com), Tel: 020 66304603, 66304606 Fax: 020 66304624  
Email: [shares@lumaxautotech.com](mailto:shares@lumaxautotech.com), CIN:L31909MH1981PLC025519

### ADMISSION - SLIP

Regd. Folio No. \_\_\_\_\_

\*Demat A/c No. \_\_\_\_\_

No. of Shares Held : \_\_\_\_\_

DP. ID No \_\_\_\_\_

I certify that, I am a member/ Proxy for the member of the company.

I hereby record my presence at the 33rd Annual General Meeting of the Company being held at Spree Shivai Hotel, Celebrate Hall, 1st Floor, H-Block, A-70, MIDC, Pimpri, Pune-411018 at 3.00 P.M. on Wednesday, 23rd July, 2014 or any adjournment's thereof.

\_\_\_\_\_  
Members/ Proxy's name in  
BLOCK Letters

\_\_\_\_\_  
Signature of member/Proxy

Notes : -

Please fill this Admission Slip & hand over at the entrance of the Meeting Hall.  
Members are requested to bring their copy of the Annual Report to the Meeting.

\*Those who hold shares in demat form must quote their Demat A/c No. and Depository Participant (DP) ID. No.

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# Lumax Auto Technologies Limited

## LUMAX AUTO TECHNOLOGIES LIMITED

Registered Office: Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune – 411026  
Website: www.lumaxautotech.com, Tel: 020 66304603, 66304606 Fax: 020 66304624  
Email: shares@lumaxautotech.com, CIN:L31909MH1981PLC025519

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the members(s):		Folio No./ *Client Id:/ *DP Id:	
Registered address:		Email Id:	

I/We, being the member(s) of \_\_\_\_\_ shares of Lumax Auto Technologies Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 33rd Annual General Meeting of the company, to be held on Wednesday, July 23, 2014 at 3.00 P.M. at Spree Shivai Hotel, Celebrate Hall, 1st Floor, H-Block, A-70, MIDC, Pimpri, Pune-411018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional**	
		For	Against
Ordinary Business			
1	Adoption of Audited Annual Accounts for the year ended March 31, 2014 and the Auditors and Directors Reports thereon.		
2	Declaration of Dividend on Equity Shares.		
3	Re-appointment of Mr.Anmol Jain, who retires by rotation.		
4	Appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration.		
Special Business			
5	Appointment of Mr. D.K.Jain as Executive Chairman.		
6	Appointment of Mr. Anmol Jain as Managing Director		
7	Appointment of Mr. Deepak Jain as Director, liable to retire by rotation.		
8	Appointment of Mr. Roop Salotra as an Independent Director for a term upto 5 years.		
9	Appointment of Mr. Milap Jain as an Independent Director for a term upto 5 years.		
10	Appointment of Mr. Sandeep Dinodia as an Independent Director for a term upto 5 years.		
11	Appointment of Mr. Dhiraj Dhar Gupta as an Independent Director for a term upto 5 years.		
12	Special Resolution under Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013 for the Borrowings Powers of the Board of Directors and creation of security on assets of the Company.		

\*Applicable for investors holding shares in electronic form.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Signature of Shareholder

Affix  
One Rupee  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- \*\* (2) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

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**Lumax Auto Technologies Limited**  
[www.lumaxautotech.com](http://www.lumaxautotech.com)

**[www.lumaxworld.in](http://www.lumaxworld.in)**



# Lumax Auto Technologies Limited

Plot No. 70, Sector No. 10, PCNTDA, Bhosari Industrial Area, Pune - 411 026  
Phone : 020-66304606 & Fax No. 020 66304624  
Website : www.lumaxautotech.com





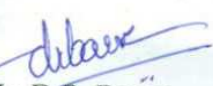
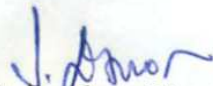
Our Ref. :

CIN - L31909MH1981PLCO25519

Date :

## FORM A

(Pursuant to clause 31(a) of the Listing Agreement)

1	Name of the Company	LUMAX AUTO TECHNOLOGIES LIMITED
2	Annual Financial Statements for the year ended	March 31, 2014
3	Type of Audit observation	Unqualified
4	Frequency of observation	-
5	To be signed by	
	 Mr. Anmol Jain Managing Director	
	 Mr. Ashish Dubey Chief Financial Officer	
	 Mr. D.R. Barve Proprietor Membership No. 17661 For D.R. Barve & Co. Chartered Accountants Firm Registration No. 101034W (Statutory Auditors)	
	 Mr. Sandeep Dinodia Audit Committee Chairman	

### Regd. Corporate Office :

Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune - 411026.  
Phone : 020-66304606, Fax : 020-66304624, E-mail : pcntda@lumaxautotech.com  
www.lumaxindustries.com | www.lumaxdk.com | www.lumaxautotech.com | www.lumaxcornaglia.com | www.lumaxancillary.com