LUMAX

FUTURE READY

11 Entities

7 Partnerships

13 Manufacturing Facilities

3,500+ Employees

Leaders in Gear Shifters

Lumax Auto Technologies Limited

Annual Report 2017-18

DK JAIN GROUP

www.lumaxautotech.com

WHAT'S INSIDE?

Forward Looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Scan the code to read this report

To get this report online and for any further information log on to **www.lumaxautotech.com**

Lumax Auto Technologies Limited has always believed in being prepared for tomorrow, Today.

At a time when exciting new technologies, disruptive market forces and progressive legislation are dramatically altering the landscape of the automobile industry, it is essential for any company to stay abreast of all trending developments. Lumax Auto Technologies Limited remains ahead and has been constantly readying itself with technological solutions for the Future.

The future of the automotive industry is technology-driven and lies in the ability of vehicles to be environment friendly, it is about customising the latest technology for local market conditions. The future is about protecting and safeguarding against risks arising across multiple manufacturing geographies. The future is all about thinking out-of-the-box. The future is all about fast response times and anticipating customer needs. The future is all about quality, excellence and innovation.

It is the dawn of a new future;
a future Lumax Auto Technologies Limited is ready for.

Future Ready for Tomorrow

Over the years, we have built an in-house reservoir of global technology, stringent quality testing processes and labs, a derisked network of 13 pan-India plants located very close to our customers, a diversified product portfolio that is constantly refreshed with innovative offerings, a high degree of supply-chain dependability, extensive investments in grooming and developing employee skill sets and talent as also a competitive cost-conscious model that insulates us from volatile commodity markets.

Through a combination of anticipating, investing and implementing, we have sharpened our competitive edge and are Future Ready; our future readiness is powered by our best-in-class collaborations, tomorrow's technology and an unrelenting march towards progress.

We are Lumax Auto Technologies Limited and we are Future Ready.

GROUP SNAPSHOT

A market leader in the manufacture of automotive components, the Lumax - D.K. Jain Group has over 70 years of experience at the forefront of auto component technology and its manufacture. With 9,000 plus employees spread over 27 manufacturing facilities across 8 states it operates through 14 entities. With 3 Government-certified R&D centres, a design centre in Taiwan, the Group is continuously evolving to deliver the highest quality to its reputed domestic and international client base.

Perfectly placed to achieve our future potential

Group Purpose

We deliver **pride** and **progress** with **positivity**

Vision

Building an **admired high performance** global organisation in whom all stakeholders have **absolute trust**

Values

Respect
Integrity
Passion
Excellence

70+
Years of Industry experience and expertise

27
World-class manufacturing facilities

9
Partnerships

3
R&D Centres

1
Design Centre in Taiwan

CORPORATE SNAPSHOT

Lumax Auto Technologies Limited, part of the Lumax – D.K. Jain Group, is a market leader in manufacturing automotive components. It has over three decades of experience in supplying automotive components for Original Equipment Manufacturers (OEMs) and the Aftermarket segment.

Lumax Auto Technologies Limited set up its first plant in 1981 at Maharashtra manufacturing lighting products for two wheelers. Since then the Company has expanded organically and today manufactures a diversified range of products catering to two, three and four-wheeler segments along with its Subsidiaries and Associates. It has 13 manufacturing facilities across five states, a dedicated R&D centre, seven international partnerships and a marketing presence across the country.

Known as one of the few integrated auto component manufacturers in India, possessing robust R&D capabilities, technological prowess, design skills and manufacturing abilities, it is the sole domestic company with the competency to manufacture and supply gear levers for electric cars.

Since 1981, the Company has expanded organically and today manufactures a diversified range of products catering to two, three and four-wheeler segments.

LUMAX

COLLABORATIONS

Foreign collaborations

Cornaglia	MANNOH	Gill Industries / AUSTEM	SIPAL	ALPINE	FAE	ituran
ITALY	JAPAN	USA / KOREA	ITALY	JAPAN	SPAIN	ISRAEL
JV for Emission Systems	JV for Gear Shifters	JV for Seat Frames, Structures and Mechanism	JV for integrated Logistic Support Engineering	Exclusive Distributorship Agreement	JV for Oxygen Sensors	JV for Telematics Products and Services
Relationship since **2007**	Relationship since **2008**	Relationship since **2013**	Relationship since **2015**	Relationship since **2014**	Relationship since **2017**	Relationship since **2017**
50% in Lumax Cornaglia Auto Technologies Pvt. Ltd.	45% in Lumax Mannoh Allied Technologies Ltd.	50% in Lumax Gill-Austem Auto Technologies Pvt. Ltd.	49% in Lumax Sipal Engineering Pvt. Ltd.	-	49% in Lumax FAE Technologies Pvt. Ltd.	50% in Lumax Ituran Telematics Pvt. Ltd.

GROUP STRUCTURE

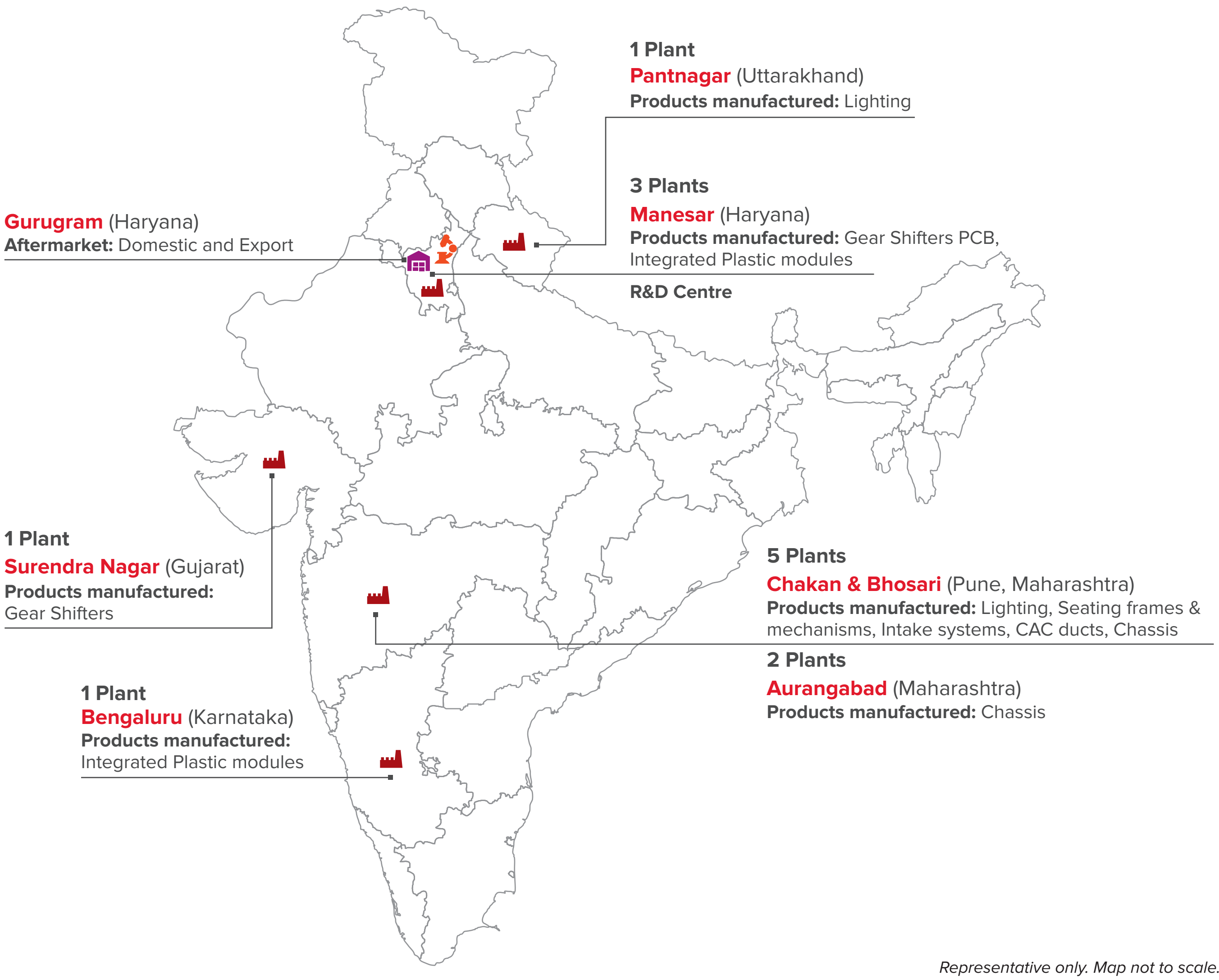
Lumax Auto Technologies Limited

- **Lumax DK Auto Industries Limited** — **100%** (2006) — **May 1997** — Lighting, Integrated Plastic Modules
- **Lumax Management Services Pvt Ltd.** — **100%** — **Sept 2016** — Management Support
- **Lumax Mannoh Allied Technologies Limited** — **55%** — **March 2014** — Gear Shifters
- **Lumax Cornaglia Auto Technologies Pvt Ltd.** — **50%** — **June 2007** — Air Intake Systems
- **Lumax Gill - Austem Auto Technologies Pvt Ltd.** — **50%** — **July 2013** — Seat Frames & Mechanism
- **Lumax Integrated Ventures Pvt Ltd.** — **100%** — **Jan 2016**
  - **Lumax SIPAL Engineering Pvt Ltd.** — **51%** — **Nov 2015** — Aerospace & Defence Space Engineering
  - **Lumax Energy Solutions Pvt Ltd.** — **100%** — **Jan 2016** — LED Lighting (Non-Automotive Products)
  - **Velomax Mobility Pvt Ltd.** — **100%** — **Aug 2016** — (Non-Automotive Products)
- **Lumax FAE Technologies Pvt Ltd.** — **51%** — **August 2017** — Oxygen Sensors
- **Lumax Ituran Telematics Pvt Ltd.** — **50%** — **August 2017** — Telematics Products and Services

Subsidiaries

Associates

GEOGRAPHIC PRESENCE



Representative only. Map not to scale.

Product portfolio

- 2-wheeler Lighting
- 2-wheeler Chassis
- Electrical & Electronics Components
- Gear Shifters
- Intake System
- Integrated Plastic modules
- Oxygen sensors
- Seat Structures & Mechanisms
- Telematics Products & Services
- Aerospace & Defence Engineering Services

Aftermarket Division

LUMAX

ESTEEMED CLIENTELE

Four-wheeler

Maruti Suzuki – Way of Life!, Tata, Mahindra Rise., Toyota, Honda, Fiat, Skoda, Volkswagen, GM

Commercial vehicle

Tata, Mahindra Rise., Daimler, VE Commercial Vehicles – A Volvo Group and Eicher Motors Joint Venture

Two-wheeler

Bajaj – Distinctly Ahead, Honda

Export

M&T, TVS Autoserv

Tier 1

Lear Corporation, Adient, Continental

Aftermarket - Domestic & Global

AWARDS

“BAL-TPM Excellence Award” for year 2017-18 to Lumax Auto Technologies, Aurangabad from Bajaj Auto Limited

Maruti Suzuki India awarded Lumax Mannoh Allied Technologies Limited for Overall Performance

Quality Gold Award to Lumax Auto Technologies, Aurangabad for Zero Customer Complaint for last 2 years i.e. 2016-17 & 2017-18 from Bajaj Auto Limited

Lumax DK Auto Industries received the Bronze award from Honda Access India in the category of ‘Development’

MANUFACTURING CAPABILITIES

LETTER FROM THE MANAGEMENT

Dear Shareholders,

The irrational exuberance that marked global markets and economies in 2017 has been replaced with a mood of cautious optimism. The world economy is showing early signs of strong growth and employment figures in US, the world's largest economy, reign high. The abundance of easy liquidity over the last several years has been tempered and inflationary pressures stable.

Changing Times

We are living in the midst of the 4th Industrial Revolution, driven this time around by Artificial Intelligence. With a recent global survey predicting the first 3D-printed car to be in production by 2025, we are cognizant of the need to be Future Ready as technology raises customer expectations and clients increasingly rely on companies to anticipate their needs and offer personalised solutions.

For the Indian economy, the next two quarters will be critical. Inflation is under control but corporate earnings need to record the much anticipated double digit growth rate and credit offtake, especially from the manufacturing sector, pick up. With multiple elections around the corner, investors, both local and foreign, are choosing to adopt a wait and watch attitude delaying fresh investment.

The second half of this year was especially profitable with our PBT margin expanding considerably compared to the same period last year, due to drivers like the optimisation of the Bengaluru plant, a strong momentum in electronic products and the trending Aftermarket sector.

The automotive industry, which contributes 7.1 per cent to the country's Gross Domestic Product (GDP) began the calendar year 2018 on a positive note and we will endeavour to sustain the growth trajectory in the coming months. A boost from the Union Budget in February for the rural sector, successive good monsoons and an emphasis on infrastructure creation is expected to power further demand in automotive sector, especially motorcycles and two-wheelers as the growing middle class and the young realise their aspirations.

Year of Growth

Despite initial hiccups of GST implementation, a sudden spurt in raw material prices and the lingering traces of a demonetisation driven slowdown fading away, the Company performed commendably. I am pleased to inform you that 2017-18 was a successful year with Net Revenue surging 15 per cent to Rs 1,111 Crore, while PAT grew by 41 per cent to Rs 49 Crore.

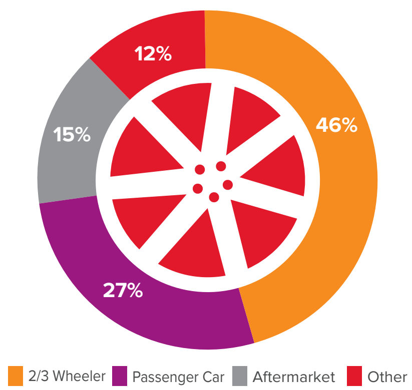
Beginning of 2018, our Chakan plant received the TPM Excellence Award from Bajaj Auto Limited. Other milestones for 2017-18 include the inauguration of the new plant with a backup assembly line at Gujarat customised to cater to an important customer, signing of two new joint ventures; with FAE Spain for the manufacture of Oxygen sensors and with Ituran, Israel for Telematics products and services. In the coming years, this association will enable Lumax Auto Technologies Limited to manufacture and introduce innovative high margin products.

In the first six months, Lumax Auto Technologies Limited showed improved volumes in the Gear shifter and Plastic moulded business. In the third quarter, fresh orders poured in from one of our largest customer and the Aftermarket business, which accounts for nearly a fifth of our top line, witnessed sequential growth throughout the year.

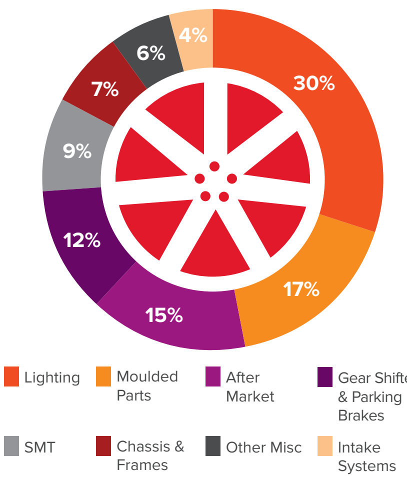
We successfully navigated the challenge posed by the sudden spike in raw material prices from October onwards through our business model of ensuring a diversified supply chain.

Our dynamic product mix enabled us to maximise margins across all our product categories.

Segment-wise Revenue breakup 2018 (%)



Product-wise Revenue mix 2018 (%)



The Road Ahead

Shareholders, our industry is poised on the cusp of a paradigm shift. Most vehicles would need to adhere to the new Bharat Stage-VI emission and safety norms by 2020. Government incentives like proposed green number plates with free parking for three years and toll waivers convince us that the future lies with electric vehicles and shared mobility.

I am happy to inform you that Lumax has been sourcing world-class technology and modifying its manufacturing and product lines, to meet changed standards and will strive to remain the market leader and preferred supplier for all major OEMs. With the increased emphasis on safety and energy efficiency, BS-VI norms demand we see incremental growth coming from the need for lighter vehicles with lower emission footprints.

Riding the trend towards automatic shifters, we are producing the gear shift lever for India's best known automobile brand and going forward we expect considerable demand from this segment. With automatic shifter priced significantly higher than the manual one, we see it accreting positive towards our bottom-line.

The introduction of GST has disrupted the price differential of many unorganised players, providing a further fillip to the auto Aftermarket segment, growing 10-15 per cent annually and expected to reach USD 16.5 billion by 2021. Lumax has a significant number of new, open architecture products lined up in its pipeline ranging from lighting solutions to mirrors and filters. With a higher investment-to-sales ratio, compared to the original equipment segment, we foresee margins to be healthier as there is increased traction, enabling us to garner strong growth over the previous year.

Financially we remain very sound. The second half of this year was especially profitable with our PBT margin expanding considerably compared to the same period last year, due to drivers like the optimisation of the Bengaluru plant, a strong momentum in electronic products and the trending Aftermarket sector.

Our balance sheet remains healthy with little leverage and a robust working capital management cycle. With a recovery in OEM demand, acquisition of new clients, healthy growth in value-added products and improvement in overall margins, we expect to have better growth in our bottom line in the coming years.

As we work steadily towards creating a vibrant world-class Future Ready Company powered by Partnerships, Products and Progress, we pledge to remain committed to the values enshrined in our heart: Respect, Integrity, Passion and Excellence.

Thank you,

D.K. Jain
Executive Chairman

Anmol Jain
Managing Director

Deepak Jain
Director

NEW BRAND
NEW ENERGY

Starting as a trading company in 1945, Lumax today has evolved into a diverse, multi-location, multi-product, multi-partner organisation with a global footprint. With our impressive business evolution, built on our Founder's firm belief in the values of humility, hard work, a long-term association with our partners and customer first, we felt that we needed a stronger identifiable image.

After careful consideration, we chose a new logo that reflects a contemporary yet mature look and captures our vision - "Building an admired high performance global organisation in whom all stakeholders have absolute trust." The logo, christened with the 'WinteGreat wheel' is the guiding star and stands for Winning, Integrity, Integration and Greatness. The blades of the 'WinteGreat wheel' symbolise confidence, dynamism, passion and commitment for accelerated growth. Respect, Integrity, Passion and Excellence as the core values, form the soul of the organisation, enshrined in the very heart of the 'Wintegreat wheel' in the form of a prism.

PYRAMID ANGLED FOR PROGRESS

PROPELLER

PROPELLING TOWARDS PROGRESS

Red is the colour of passion and energy. It has always been the flagship brand's colour and takes pride of place in the Group brand's new logo. Orange symbolises warmth and positivity, in keeping with the organisation's kind and optimistic ethos. Purple stands for heritage and stability. It lends balance to the power and movement of the more dominant colours.

LUMAX

DK JAIN GROUP

The brand is our promise, it demonstrates what we believe in and our commitment of business success to us is about the growth of every stakeholder. Further, our products are more than just products; they are a platform for continuing development and achievement for all our stakeholders.

FUTURE READY
WITH THE POWER OF PARTNERSHIPS

Collaborative effort sits at the heart of the company as a differentiated business model. We understand the power of joining hands with the best, to come up with superior products to better serve the customer.

Commencing with Cornaglia, Italy in 2007 for emission systems, your Company continues to work closely with best-in-class international manufacturers through seven joint ventures. These associations have been critical for augmenting our knowledge base, leveraging the synergies of different Lumax Group entities and bringing unique value propositions to fruition in the marketplace.

BS-VI Opportunities

The quest for Future Readiness and excellence continues with an eye on opportunities emerging from the 2020 adoption of BS-VI vehicle emission norms.

Anticipating the opportunity for Oxygen sensors, as they become mandatory for two wheelers over the next two years, a joint venture was established this year with FAE, Spain a global leader in this technology.

With the rise in corporate fleets, radio cabs and the global shift towards connected vehicles, Telematics is clearly the future. Being able to connect and cooperate with multiple vehicles simultaneously, is a value proposition that is finding resonance with most clients; ranging from OEMs, insurance companies to state transport operators. A new joint venture with Ituran Location & Control, Israel will enable Lumax Auto Technologies to be Future Ready and become a pioneer in the Indian Telematics market.

Partner of Choice

Since inception, Lumax Auto Technologies Limited has been able to successfully marry cutting-edge technology with superior localisation capabilities enabling it to offer quality products at competitive prices. It has established itself as a preferred partner for international automotive brands, due to its transparent business practises, unique local market insight and a proven track record of managing a motivated and skilled workforce.

The HR team organised people development programmes to enhance personnel productivity, tools to continuously engage and maintain two-way communication.

Lumax Auto Technologies Limited employee coverage rate for Quality Circle participation has been 88 per cent.

These investments in people and technology give us the expertise and confidence to manage our network of plants across five regional automotive hubs and commission capacity expansion like the new Lumax Mannoh Allied Technologies Limited plant set up this year at Gujarat with an extra assembly line.

Generating goodwill, attracting new customers... it is all about the power of partnerships.

FUTURE READY
WITH TOMORROW'S SOLUTIONS

Lumax Auto Technologies Limited continues to be a forerunner when it comes to anticipating future trends and customer preferences. In order to continue providing tomorrow's solutions and stay one step ahead of competition; we use a combination of innovative technology, deep consumer knowledge and superior manufacturing facilities.

DK JAIN GROUP

The Future is Automatic

Spotting the inevitable shift from manual gear shifts, used predominantly in Indian automobiles to automatic shifters, we invested early in its development. Today, we are Future Ready, being the only company in India to design and manufacture automatic gear shift levers for electric cars.

More vehicles are predicted to shift to fuel efficient six and seven speed transmissions over the next few years. Lumax Mannoh Allied Technologies remains the leading Indian manufacturer of gear levers for 6MT transmissions, leveraging its unique Lift and Shift technology solution thus maintaining the leadership position in new technologies.

New Needs, Newer Products

In future, lighter vehicles with lower emissions will be the preferred norm. Urea tanks, which will be mandatory for all diesel vehicles, post 2020, have been identified as a new product line with the potential to contribute significantly to the revenue and profitability targets identified. Swing arm and Trailing arm supplies are initiated from the Aurangabad plant.

As OEMs move to lighter thermoplastics, improved variants of charge air cooler ducts and plastic fuel filler pipes are being readied for supply.

Lumax Auto Technologies Limited is investing significantly in moving up the value chain in the plastic moulding business.

Future Ready for the forthcoming domination of electric cars, a cross-functional team; Mechatronix has already been put together for the conceptualisation and testing of advanced gear shift levers and engineers are being put through rigorous training to manage the transition from mechanical to electronics.

In order to stay ahead of the curve, Lumax has invested in establishing dedicated engineering and testing labs, where products and solutions will be made Future Ready ensuring a faster turnaround time for customers.

The Company continues to increase the production of PCBs used in LED lamps.

FUTURE READY THROUGH CONTINUOUS PROGRESS

We have always believed in constant evolution: be it technology, systems and processes, Shop floor training, marketing initiatives or increasing the number of customer touchpoints. We continuously adapt and improve to maintain market leadership and gain competitive edge.

Adapting to Change

Future Ready through continuous progress and process improvement, this year saw a renewed emphasis on production quality through multiple shop-floor programmes conducted by global leaders.

Maintaining cost competitiveness is another guiding goal and cost efficiencies were accessed across all domains with value-engineering initiatives proposed for cost reduction. These become critical for the Company, when viewed against the backdrop of the sudden spike in raw material prices as seen in the last half of 2017-18.

The Company's policy of sourcing from alternate suppliers helped insulate it from price volatility. During the year, the supply chain was rationalised and upgraded using parameters of quality, reliability, design and delivery capabilities.

Accessing the Aftermarket

The automobile Aftermarket segment holds tremendous potential and Lumax Auto Technologies plans to expand from catering to the replacement market for lighting products to other product lines like filters, mirrors, horns, cables and electronic parts.

The new brand launch has energised the entire value chain of employees and channel partners, investments have been made in new packaging, increasing brand visibility. A dedicated engineering team based at Pune, has been set up for the Aftermarket product development. Lumax had launched multiple new products in each category.

Going forward, the plan is to expand the product portfolio and ensure greater outreach at the retailer level.

The Group's rebranding exercise is facilitating greater brand visibility for the Aftermarket segment. The Aftermarket segment currently has over 300 channel partners and 10,000 retail points. We have currently over 15,000 touchpoints and strive to increase our network. New customers are being identified as the team develops new product categories forecast to drive future growth.

Internal Cohesion

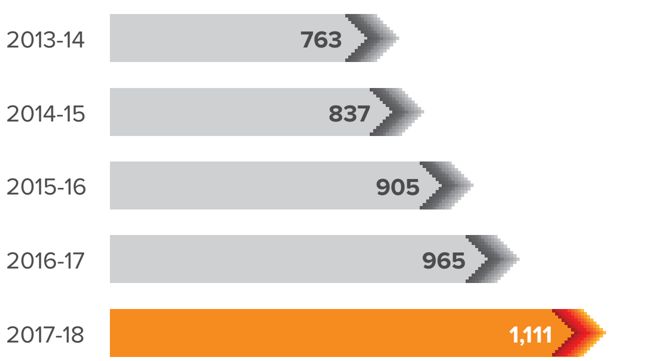
Being *Future Ready*, through continuous investment in the latest advanced automation helps insulate the Company from any vagaries in the labour supply market. Locating 13 plants close to client clusters, protects us against geographic risk. To ensure smooth and timely delivery, the Company is well prepared for contingencies by providing for backup assembly line for its prime customers.

A continuous cross-pollination of expertise within group companies, adds to the Company's R&D capabilities enabling it to move up the value chain from components to systems. With a framework of institutionalised progress, we remain *Future Ready*.

FINANCIAL REVIEW

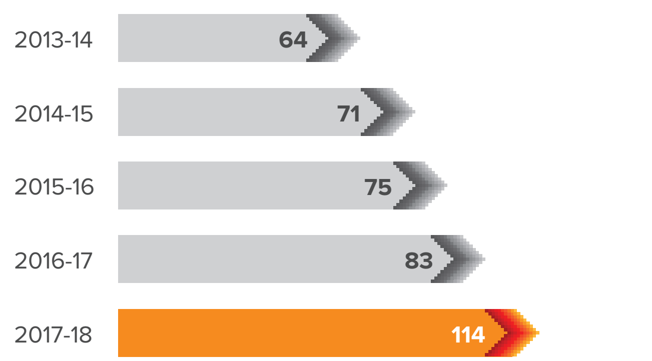
Revenue from Operations

(Rs in Crore)



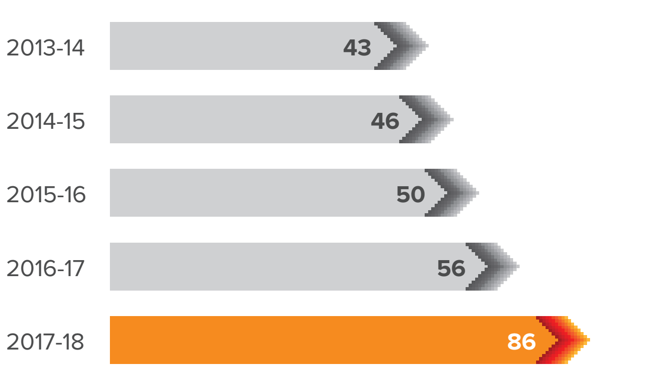
PBDIT

(Rs in Crore)



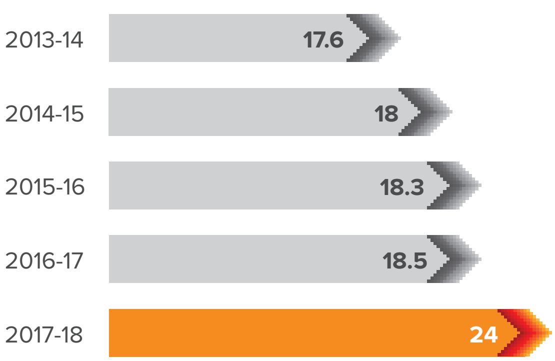
PBT

(Rs in Crore)

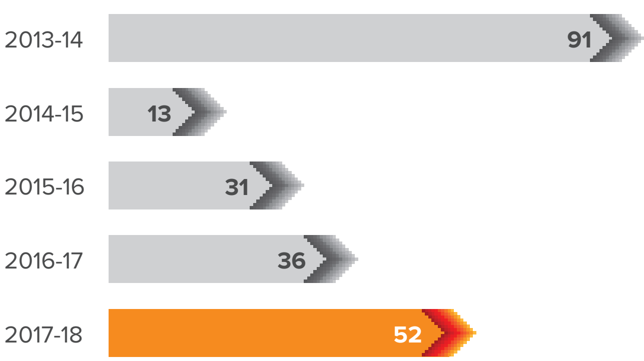


Debt Equity Ratio

ROCE (%)



CAPEX (Rs in Crore)



Market Cap (Rs in Crore)

EPS (Rs)

Based on Face Value of Rs 10/- each.

BOARD OF DIRECTORS

From Left to Right:

Mr. Milap Jain
Independent Director

Mr. Roop Salotra
Independent Director

Mr. Sandeep Dinodia
Independent Director

Mrs. Diviya Chanana
Independent Director

Mr. D. K. Jain
Chairman

Mr. Anmol Jain
Managing Director

Mr. Deepak Jain
Director

Mr. D. D. Gupta
Independent Director

Mr. Sanjay Mehta
Director

(Board of Directors as on March 31, 2018)

RESPONSIBLE CORPORATE CITIZENSHIP

As a responsible corporate, Lumax believes that the gains of business must percolate to the society at large. In keeping with this belief, the Company has, over the years, supported social activities of Lumax Charitable Foundation, a trust - promoted by Lumax DK Jain Group, which takes up developmental work in the vicinity of the Group manufacturing facilities.

A nation's children are its most important assets, their development is critical to ensure capable, robust citizens endowed with adequate skill and literacy, needed by the society. In the previous years, Lumax Charitable Foundation has honed its CSR programmes to focus on the areas of greatest need viz. education and healthcare.

Education

In the field of education, Lumax Charitable Foundation has undertaken initiatives to empower the girl child and encouraging further education of underprivileged children. The Foundation encourages girl child enrolment in primary schools.

To further a holistic approach towards providing learning opportunities, e-learning is provided at the schools adopted by the Foundation, along with infrastructure support.

Career counselling is an important component of education, giving direction to the children and guiding them towards a better future. The Foundation provides end-to-end career counselling that includes aptitude tests, orientation sessions, one-on-one counselling sessions, etc. for students on the threshold of choosing career options, helping them choose suitable careers.

Lumax under Toyota's 'Safety Model School' initiative established a Road Safety Park at Suraj School, Rewari, Haryana. The aim was to promote a culture of safety and bring positive behavioural change amongst school students towards road safety and also to empower them to become safety ambassadors.

Health

Under its CSR initiative, Lumax Charitable Foundation strives to make good health accessible to the local communities. Need-based health interventions which are not only curative, but also preventive in nature have been the focus areas for Lumax.

The Foundation also provides nutritious mid-day meals to the underprivileged children with the objective to overcome malnutrition in the marginalised sections of society.

The Foundation in association with Hirabai Cowasji Medical Research Institute, Pune facilitates treatment of children suffering from Juvenile Diabetes. Besides providing medical help, the programme aims to provide emotional and mental support to help manage the disease through counselling sessions.

In association with Indian Cancer Society, your Company has organised several cancer awareness camps and screening facilities in the vicinity of its plants.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. D.K. Jain
Executive Chairman

Mr. Anmol Jain
Managing Director

Mr. Deepak Jain
Director

Mr. Sanjay Mehta
Director

Mrs. Diviya Chanana
Independent Director

Mr. Sandeep Dinodia
Independent Director

Mr. Milap Jain
Independent Director

Mr. D.D. Gupta
Independent Director

Mr. Roop Salotra
Independent Director

BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Sandeep Dinodia – *Chairman*

Mr. Roop Salotra – *Member*

Mr. D.D. Gupta – *Member*

Mr. Milap Jain – *Member*

Mr. Anmol Jain – *Member*

NOMINATION AND REMUNERATION COMMITTEE

Mr. Milap Jain – *Chairman*
Mr. Sandeep Dinodia – *Member*
Mr. Roop Salotra – *Member*
Mr. D.D. Gupta – *Member*

SHARE TRANSFER/STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Deepak Jain – *Chairman*
Mr. D.K. Jain – *Member*
Mr. D.D. Gupta – *Member*
Mr. Sandeep Dinodia – *Member*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Roop Salotra – *Chairman*
Mr. D.D. Gupta – *Member*
Mr. D.K. Jain – *Member*

GROUP COMPANY SECRETARY

Mr. B. S. Bhadauriya

CHIEF FINANCIAL OFFICER

Mr. Ashish Dubey

COMPANY SECRETARY

Ms. Swapnal Patane

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.

1st Floor, Bharat Tin Works Building
Opp. Vasant Oasis Apartments,
Makwana Road, Marol Andheri East,
Mumbai - 400059
E-mail: investor@bigshareonline.com

REGISTERED OFFICE

Plot No. 70, Sector 10, PCNTDA
Bhosari, Pune, Maharashtra - 411026
E-mail: shares@lumaxmail.com
Website: www.lumaxautotech.com

CORPORATE IDENTITY NUMBER

L31909MH1981PLC025519

BANKERS

HDFC BANK LTD

HSBC BANK

ICICI BANK LTD

SYNDICATE BANK

STATE BANK OF INDIA

CITIBANK

AUDITORS

M/s S.R. Batliboi & Co. LLP

Chartered Accountants, Gurugram

WORKS

- Plot No. 70, Sector-10, PCNTDA, Bhosari, Pune, Maharashtra
- W-230-E, "S" Block, M.I.D.C Bhosari, Pune, Maharashtra
- Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra
- K-76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
- Plot No. 9-10, 23-25, Gut No. 53, Village Sahajapur, Aurangabad, Maharashtra
- Survey No. 334, 366 & 367, Bellur Village, Narasapura Hobli, Karnataka
- Plot No. 91 B, Sector - 5, IMT Manesar, Gurugram, Haryana

Aftermarket Division

- 1st Floor, Plot No. 2 Udyog Vihar, Phase IV, Gurugram, Haryana

Key Change in Board of Directors
W.e.f. May 28, 2018, Mr. Sandeep Dinodia
- Ceased to be an Independent Director

Directors' Report

Dear Members,

Your Directors with immense pleasure present the 37th Annual Report of Lumax Auto Technologies Limited ("Company") on the business and operations together with Audited Balance Sheet and Statement of Profit & Loss of your Company for the year ended March 31, 2018.

The Key highlights of Financial Performance of your Company for the year along with previous year figures are as follows:

I. Financial Performance

(Rs In Lacs)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations	60,750.77	52,149.66	1,13,851.32	1,03,969.72
Other Income	1,499.47	387.54	1,524.30	1,049.93
Total Income	**62,250.24**	**52,537.20**	**1,15,375.62**	**1,05,019.65**
Total Expenses	57,966.73	51,460.86	1,06,500.65	99,398.87
Profit Before Tax, Share in Net Profit of associate, Exceptional Item	**4,283.51**	**1,076.34**	**8,874.97**	**5,620.78**
Profit of Associate	-	-	(61.53)	292.45
Exceptional items	(227.50)	(322.41)	(227.50)	(319.11)
Profit before Tax	**4,056.01**	**753.93**	**8,585.94**	**5,594.12**
Tax Expenses	1,134.24	214.85	2,874.71	1,586.19
Minority Interest	-	-	836.86	558.12
Profit for the period (After Tax and Minority Interest)	**2,921.77**	**539.08**	**4,874.37**	**3,449.87**
Other Comprehensive Income	**4,060.13**	**5,010.24**	**4,062.27**	**5,011.57**
Equity holders of the parent	-	-	4,059.02	5,007.99
Non- controlling interests	-	-	3.25	3.58
Total Comprehensive Income	**6,981.90**	**5,549.32**	**9,773.50**	**9,019.50**
Equity holders of the parent	-	-	8,933.39	8,457.80
Non- controlling interests	-	-	840.11	561.70
Paid-up Equity Share Capital	1,363.15	1,363.15	1,363.15	1,363.15
Earning Per Share (EPS) (not annualized) Basic/Diluted EPS	21.43	3.96	35.76	25.31

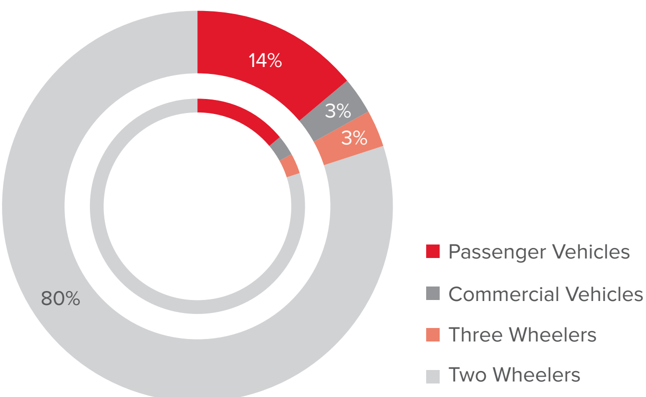
Note: Financial Results for the year ended March 31, 2018 are prepared first time in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of The Companies Act, 2013, and previous year figures for the year ended March 31, 2017, have been regrouped / re-casted in accordance with Ind AS to make them comparable.

a. Company Performance

The Indian Automobile Industry being one of the largest in the world and accounting for 7.1 percent of the country's Gross Domestic Product (GDP) is presently the second largest two-wheeler manufacturer and the fifth largest commercial vehicle manufacturer in the world.

During the Fiscal year 2017-18, the Indian Automobile Industry registered a production growth of 14.78 percent as compared to 5.41 percent over the same period last year. In this backdrop the Auto Component Industry posted an encouraging performance and grew by 14.30 percent as compared to the previous year. Currently, the Indian Auto Component Industry is contributing more than half of the average exports achieved by the Automotive Industry.

The total production by Automobile Industry for the financial year 2017-18 was 290.73 lacs vehicles and the contribution of each category of vehicles into the same is depicted graphically below:



In the above background and during the year under review, the performance of your Company is summarized as under:

Standalone Performance:

On standalone Basis the Company registered growth of 24 percent in Revenue from Operations which is over and above the Industry growth. For the Financial Year 2017-18 the Profit Before Tax (PBT) stood at Rs 4,056.01 Lacs and Profit After Tax (PAT) was recorded at Rs 2,921.77 Lacs witnessing a significant growth.

The growth was led by increased volumes of PCB manufacturing business, plastic moulded parts and sheet metal components of major Customers of the Company i.e. Bajaj Auto Limited (BAL), Honda Motorcycles & Scooters India Ltd. (HMSI) and Maruti Suzuki India Limited (MSIL).

Consolidate Performance:

On Consolidated Basis the Company achieved growth of 15 percent in Revenue from Operations. For the Financial Year 2017-18 the Profit Before Tax (PBT) stood at Rs 8,585.94 Lacs witnessing a significant growth of 53 percent. The Profit After Tax (PAT) after Minority Interest was recorded at Rs 4,874.37 Lacs recording the growth by 41 percent. The Basic and Diluted Earnings per share also grew by 41 percent.

b. Dividend

Your Company maintained its commitment in delivering long-term sustainable growth and attractive Dividend to its Shareholders. The Board of Directors at their Meeting held on May 28, 2018 had approved payment of Dividend at the rate of 100 percent on Equity Share Capital of the Company which is subject to the approval of the Shareholders at the ensuing Annual General Meeting (AGM).

The proposed dividend will translate into Dividend at the rate of Rs 2/- (Rupees Two only) per Equity Share of the face value of Rs 2/- (Rupees Two only) each, after Sub – division of existing Equity Shares of the Company in the ratio of 1:5 as on Record Date i.e. June 08, 2018.

The total amount of Dividend proposed to be distributed, amounts to Rs 1,410.01 Lacs (Including Dividend Distribution Tax) as against Rs 640.68 Lacs in the previous year. The Dividend pay - out ratio comes to 48.26 percent.

c. Subsidiaries and Associate Companies & Consolidated Financial Statements

As per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), applicable provisions of the Companies Act, 2013 and Ind AS 110, the Audited Consolidated Financial Statements are provided in the Annual Report of the Company.

As on March 31, 2018, the Company comprised of seven (7) Subsidiaries; five (5) being direct Subsidiaries & two (2) are Step-down Subsidiary and two (2) Associates Companies. The details of the Subsidiaries and Associates along with highlights of their performance are as follows:

Subsidiaries:

Lumax DK Auto Industries Limited (LDK)

LDK is a 100 percent Subsidiary of the Company is engaged in manufacturing of lights and plastic modules. The Revenue of the Company stood at Rs 34,991.07 Lacs.

Lumax Management Services Private Limited (LMS)

LMS is a 100 percent Subsidiary of Company. The Company had emerged as a full-time service provider in form of Corporate Support Services to its Group Companies. The Revenue of the Company Stood at Rs 2,472.04 Lacs as on March 31, 2018.

Lumax Integrated Ventures Private Limited (LIVE)

LIVE is a 100 percent Subsidiary of the Company. The Company was established for manufacturing of Non - Automotive Parts. LIVE has two (2) Subsidiaries Lumax Energy Solutions Private Limited and Velomax Mobility Private Limited. The Consolidated turnover of the LIVE for the Financial Year 2017 -18 stands for Rs 197.95 Lacs.

Lumax Mannoh Allied Technologies Limited (LMAT)

LMAT is 55 percent Subsidiary formed in collaboration with Mannoh Industrial Co. Ltd., Japan. The entity manufactures Gear Shifters and Parking Brakes. The Company has a market leadership position within this segment with approximately 60 percent market share in India. During the year, the Company received new order for supplying the Gear Shifter to Toyota Yaris. The Company's Revenue stood at Rs 13,586.18 Lacs. The Company has also set up new Manufacturing facility at Surender Nagar, Gujarat for supplying Gear Shifter to Suzuki Motors.

Lumax Cornaglia Auto Technologies Private Limited (LCAT)

LCAT is a 50:50 Joint Venture between Lumax Auto Technologies Limited (LATL) and Cornaglia S.p.A. Italy having management control by LATL. The JV Company manufactures air intake systems as well as other plastics injection blow moulded parts. The Company's Revenue stood at Rs 4,877.34 Lacs.

Associates:

Lumax Gill – Austem Auto Technologies Private Limited (LGAT)

LGAT is a 50:50 Joint Venture between Lumax Auto Technologies Limited and Gill-Austem LLP, USA. The JV Company manufactures seat frames and seat mechanisms. The current year Revenue stood at Rs 6,286.01 Lacs.

Lumax Sipal Engineering Private Limited is an Associate Company of Lumax Integrated ventures Private Limited.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 a report on performance and financial position of Subsidiaries, Associate Companies are presented in notes to Consolidated Financial Statements.

Further, in accordance with the provisions of Section 136 (1) of the Companies Act, 2013, the Audited Financial Statements, including the Consolidated Financial Statements and related information and audited accounts of subsidiaries are available on the website of the Company i.e. www.lumaxautotech.com and the same shall also be made available for inspection at registered office of the Company during the working hours.

II. State of Company's Affairs

During the year under review, the Company underwent through a series of critical developments and changes influencing its operations, business activities, corporate governance practices etc. Yet it continued to reinforce its position in the market and derived sustainable benefit due to its strong foundation and its deeper integration with its subsidiaries and joint ventures.

In the course of the year, the Company unveiled its New Brand Identity on November 08, 2017, the new refreshed logo and the visual brand identity epitomises our journey and shall serve as the torchbearer of future growth and aspirations, it also rearticulated the Group Purpose and Vision.

The year 2017-18 was marked by the most ambitious tax reform since Independence i.e. Implementation of Goods and Services Tax (GST) and the Company continued to maintain its momentum in managing it efficiently and effectively. Another major development confronting the Company was transition to Indian Accounting Standards (Ind AS) from Indian GAAP which was smoothly implemented by the Company and there were no significant impacts on Financial Statements of the Company.

During the year, the Company had sold its bulbs and wire manufacturing unit situated in Kale-Amb, Himachal Pradesh, to one of its Group Company viz. Lumax Ancillary Limited on Slump-Sale basis. The said unit was expected to contribute towards the growth of Aftermarket Division of the Company through supply of auto bulbs and electrical components. However, in view of insignificant contribution of the said unit towards the Aftermarket Division and for the overall benefit of the Company it was considered prudent to sell this unit.

The 2nd Quarter of the Fiscal Year was quiet eventful for the Company, it had established two (2) Joint Ventures with Fransisco Albero S.A.U (FAE), Spain and Ituran Location and Control Limited, Israel:

- As the Country takes a leap from BS-IV to BS-VI emission norms, the huge demand for Oxygen Sensors is projected. Thus, with a futuristic vision and much before the mandatory enforcement of BS-VI, a Joint Venture with Francisco Albero S.A.U. (FAE), Spain was entered into to manufacture and supply Oxygen Sensors for Two-Wheeler Industry. The product is expected to significantly enhance the fuel efficiency of a vehicle and shall play a critical role in aligning with the BS-VI emission norms.

- As a leading Automotive Component Manufacturer and keeping in line with technological progression in the Automotive Industry, it was natural for the Company to further enter into advanced technologies to provide world-class product and services. The Telematics products and services will address the growing menace of vehicle theft, and road accidents. For the Commercial Vehicles, the Telematics solutions will aid in determining vehicle downtime, fleet monitoring and reduce unauthorized use of vehicles.

The Company through its Subsidiaries and Associates, has been a manufacturer of wide range of products like Lighting Module, Frame Chassis, Swing Arms, Integrated Plastic Modules, Gear Shift Lever, Intake systems, Seat Frames & Mechanisms etc.

During the year under review the Company with its existing products basket has baged orders for new product launches by various OEM's such as Eicher, Honda, Nissan and Bajaj Auto etc.

The Company continues to drive growth through diversified product and added new product such as Trailing Arm and Swing Arm in two wheeler segment & received business for same from Bajaj Auto Limited.

The Company caters to the Aftermarket, majority of which is lighting systems. Aftermarket have also done well for us post the launch of the refurbished brand exercise and the change in marketing strategy which was well supported by the GST implementation. With the right efforts and initiatives already put in place for addition of new products under this division, the Company is extremely positive about growth from this business segment.

Owing to its commitment towards, continuous advancement towards Information Technology and SAP the Company upgraded to SAP S/4HANA in the Financial Year ending 2018. This will enhance the Company's journey towards complete digitalization as a way forward. Similarly, efforts towards integrating GST regime within the SAP framework was implemented and successfully making the Company - "SAP GST Compliant".

a. Adoption of Indian Accounting Standards (Ind AS)

In February 2015, Ministry of Corporate Affairs (MCA) notified the final roadmap on Ind AS with implementation in a phased manner to be complied by the specified class of companies effective from April 1, 2016. Post above notification Ind AS has replaced existing Indian GAAP prescribed under Section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 according to applicability on specified entities. Accordingly, this is first year when the Company's financial statements for the year ended March 31, 2018 have been prepared in accordance with Ind AS and the financial statements for the year ended March 31, 2017 and opening Balance Sheet as at April 1, 2016 (the Company's date of transition) earlier reported in previous IGAAP, have been restated in accordance with Ind AS to make them comparable.

Accordingly, the impacts of transition to Ind AS are given in detail in the Standalone and Consolidated Financial Statements.

b. Goods and Services Tax (GST) – Implementation and Impact

The year 2017-18 saw the roll out of the Goods and Services Tax (GST) compliance, the biggest tax reform in the history of Independent India which was applicable with effect from July 1, 2017. GST is expected to bring in efficiencies in the system by improving the ease of doing business, streamlining the regulatory structure, removing multiple taxes and digitization of the tax collection mechanism thereby leading to an improved business environment.

Although, alike all other industries, the implementation of GST was a minor hiccup, yet the Company has been able to successfully acknowledge the same without any disruption. In coming years, the overall effect of GST is expected to be beneficial for the Company along with increased and better tax compliance.

c. Change In Capital Structure

The Board of Directors in its Meeting held on March 23, 2018 approved the Sub-Division of One (1) Equity Share having face value of Rs 10/- each fully paid-up into Five (5) Equity Shares having face value of Rs 2/- each followed by approval of Shareholders sought by way of Postal Ballot, the results of which were declared on May 08, 2018.

Post the approval of above proposal by Shareholders the Issued, Subscribed and Paid up Equity Share Capital of the Company would remain same i.e. Rs 13,63,15,410/- (Rupees Thirteen Crores Sixty Three Lacs Fifteen Thousand Four Hundred Ten only) divide into 6,81,57,705 (Six Crores Eighty- One Lacs Fifty Seven Thousand Seven Hundred Five) Equity Shares of Rs 2/- each.

d. Amendment of Memorandum and Articles of Association of the Company

In order to give effect to the above proposal of Sub-Division of Equity Shares of the Company, the Board in its Board Meeting dated March 23, 2018 also approved the proposal for Amendment of Memorandum and Articles of Association of the Company (MOA & AOA). Accordingly, the following changes were made to the existing MOA & AOA of the Company:

1. Alteration of 'Capital Clause - V' of the Memorandum of Association of the Company.
2. Alteration of 'Article 4 (a) – Share Capital' in Articles of Association of the Company.

The above amendments were also approved by Shareholders through Postal Ballot, the results of which were declared on 8th May 2018.

e. Capacity & Facility Expansion

During fiscal 2017-18 the Company has initiated steps for capacity enhancement with a view to strengthen its existing customer base and accordingly shall be shifting its PCNTDA manufacturing facilities to bigger premises in Chinchwad, Pune for manufacturing of Swing Arm Assembly. The new facility is expected to be operational by August 2018.

Similarly, in Aurangabad, the Company is expanding its existing business facilities to a new and better location for manufacturing & assembly of various fabricated components for two wheeler. This new business is expected to be operational by October 2018.

f. Quality Initiatives

Your Company strives to be a supplier of choice across all its customers and is always committed to develop and design new products, in line with its strategy towards delivering competitive advantage to the customers. In the said perspective, Total Productive Maintenance (TPM) has been successfully implemented across all plants of the Company to create a culture and environment which continuously improves quality, cost and delivery parameters. The Unit at K-76, Aurangabad has received Quality Gold award from Bajaj Auto Limited for maintaining PPM below 1000 in last 24 months. The other Units also received awards for Quality initiatives in various forums of Quality Circle Forum of India (QCFI) and BAVA / KAIZEN Competition, ACMA Kaizen Competition etc. In addition, the Quality Control Circle (QCC) programs are an integral part across plants of the Company. By implementing these various initiatives, improvement of Quality is willingly carried out by employees in true spirit, resulting in minimizing rejection and cost cutting.

g. Management Discussion & Analysis Report

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion & Analysis Report is annexed as part of this report separately as an **Annexure A.**

h. Change in the Nature of Business, if any

There was no change in the nature of business of the Company during the Financial Year ended March 31, 2018.

III. Governance and Ethics

a. Corporate Governance

The report on Corporate Governance together with the Auditor's Certificate regarding the Compliance of conditions of Corporate Governance as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed and forms part of this Annual Report as an **Annexure B.**

b. Directors & Key Managerial Personnel including those who were appointed or have resigned during the Year

APPOINTMENTS

On recommendation of the Nomination and Remuneration Committee, The Company in its Board Meeting held on December 04, 2017, had appointed –

- Mr. Sanjay Mehta (DIN: 06434661) as an Additional Director, liable to retire by rotation, which is subject to his regular appointment in the ensuing Annual General Meeting (AGM). Mr. Sanjay Mehta, is Chartered Accountant and Company Secretary by qualification. He is associated with the D K Jain Group since last 10 Years. He has rich experience of 26 years in Corporate Accounts and Finance. He is looking after Strategy planning, developing and implementing plans within timeframe as per the budget goals by creating and funding sustainable, profitable growth of the Company.
- Mrs. Diviya Chanana (DIN: 00737160) as an Additional Director to be designated as an Independent Director for a period of 5 years, not liable to retire by rotation, w.e.f December 04, 2017 which is subject to her appointment in the ensuing AGM. Ms. Diviya Chanana is a Graduate and Diploma holder in Travel and Tourism and has over 15 years of rich experience in the said field.

The resolutions for above said appointments are duly contained in the Notice of AGM.

RE-APPOINTMENTS

Mr. D.K. Jain (DIN: 00085848) will be completing his present tenure as Executive Chairman of the Company on August 06, 2018. On the recommendation of the Nomination and Remuneration Committee, the Board in its Meeting held on May 28, 2018 has Re-appointed him as Executive Chairman of the Company for a further term of five (5) years. The said appointment is subject to the approval of Shareholders in the ensuing AGM and the appropriate resolution is contained in the Notice of AGM.

Mr. Anmol Jain (DIN: 00004993) shall also be completing his present tenure as Managing Director of the Company on August 06, 2018. The Board, on recommendation of Nomination and Remuneration Committee, in its Meeting held on May 28, 2018 had approved the Re-appointment for a further term of 5 years which is further subject to the approval by Shareholders in the ensuing AGM and the appropriate resolution is contained in the Notice of AGM.

In accordance with the Articles of Association of the Company and Section 152 of the Companies Act, 2013, Mr. Deepak Jain (DIN: 00004972), Director of the Company will retire by rotation at the ensuing AGM and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.

CESSATIONS

During the year, Mrs. Usha Jain (DIN: 00005009), Non-Executive Director, ceased to be Director of the Company w.e.f. December 04, 2017. The Board of Directors place on record its appreciation towards her contributions during her tenure as Director of the Company.

Mr. Sandeep Dinodia (DIN: 00005395), Independent Director on the Board of the Company, ceased to be Director of the Company w.e.f. May 28, 2018. The Board of Directors place on record its appreciation towards his contributions during his tenure as an Independent Director of the Company.

c. Statement on Declaration given by Independent Directors

In compliance with the provisions of Section 149 (6) of The Companies Act, 2013 requisite declarations have been received from the Independent Directors regarding meeting the criteria of Independence.

d. Number of Board Meetings and Committees of Board

The Board of Directors met five (5) times during the Financial Year under review viz. May 15, 2017, August 30, 2017, December 04, 2017, February 12, 2018 and March 23, 2018. The maximum gap between any 2 meetings did not exceed 120 days.

A separate Meeting of Independent Directors was also conducted on 15th March 2018, without the presence of Non- Independent Directors and Management. The details on Attendance during the Board Meetings and other Committee Meetings of Board of Directors are provided in Corporate Governance Report which forms part of the Directors Report as an **Annexure B**.

e. Board Diversity and Policy on Director's Appointment and Remuneration

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills qualifications professional experiences perspectives and backgrounds which is necessary for achieving sustainable and balanced development. The Board has adopted a policy on Nomination, Remuneration and Board Diversity which sets out the criteria for determining qualifications, positive attributes and independence of a Director.

The main features of the Policy are as follows –

1. Purpose
2. Objectives
3. Applicability & Accountability
4. Responsibility of Nomination & Remuneration Committee
5. Matters relating to appointment and remuneration of Directors
6. Remuneration to Independent Directors
7. Remuneration to other Employees
8. Term & Tenure

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters is enclosed to this Board Report as an **Annexure C.**

f. Performance Evaluation of Board, Committee And Directors

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

EVALUATION TECHNIQUE

- The evaluation methodology involves completion of questionnaires consisting of certain parameters such as Evaluation factor, Ratings and Comments, if any.
- The performance of entire Board is evaluated by all the Directors based on Board composition and quality, Board meetings and procedures, Board development, Board strategy and risk management etc.
- The performance of the Managing Director and Executive Directors is evaluated by all the Board Members based on factors such as leadership, strategy formulation, strategy execution, external relations etc.
- The performance of Non- Executive Director and Independent Directors is evaluated by other Board Members based on criteria like managing relationship, Knowledge and skill, personal attributes etc.
- It also involves self-assessment by all the directors and evaluation of Committees of Board based on Knowledge, diligence and participation, leadership team and management relations, committee meetings and procedures respectively.
- Further, the assessment of Chairman's performance is done by each Board Members on similar qualitative parameters.

EVALUATION OUTCOME

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

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

The performance of the Chairman was evaluated satisfactory in the effective and efficient discharge of his role and responsibilities for the day to day management of the business, with reference to the strategy and long term objectives.

The Executive Directors and Non-executive Directors provided entrepreneurial leadership to the Company within a framework of prudent and effective controls, with a balanced focus on policy formulation and development of operational procedures. It was acknowledged that the management afforded sufficient insight to the Board in keeping it up-to-date with key business developments which was essential for each of the individual Directors to maintain and enhance their effectiveness.

g. Related Party Transaction And Policy

All contracts/arrangements/transactions entered by the Company with Related Parties were in ordinary course of business and at arm's length basis.

All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated by the Company. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the provisions of the Companies Act, 2013 and Listing Regulations, 2015.

The details of the Related Party Transactions as per IND AS - 24 are set out in Notes to the Financial Statements of the Company. The Company has formulated a policy on Related Party Transactions, which is available on the Company's website at http://www.lumaxautotech.com.

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

Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 Form AOC-2 is set out in the **Annexure D** of this Report.

h. Compliance Management Framework

For monitoring and ensuring compliance with applicable laws by the Company and for establishing adequate management control over the compliances of all acts, laws, rules, regulations and regulatory requirements, the Company has adopted comprehensive Compliance Manual for structured control over applicable compliances by each of the units of the Company.

The Company has a practice of obtaining a Statutory Compliance Report on a monthly basis from various functional heads of respective units for compliance with laws applicable to them. A consolidated report on compliance with applicable laws is presented to the Board every quarter. To take care of the continuously evolving compliance scenario, the Company is constantly striving to strengthen the reporting system.

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

i. Vigil Mechanism-Whistle Blower Policy

The Company has established a vigil mechanism named Whistle Blower Policy, for Directors, employees and business associates to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, in accordance with the provisions of Companies Act, 2013 Listing Regulations, 2015. The mechanism provides for adequate safeguards against unfair treatment of whistle blower who wishes to raise a concern and also provides for direct access to the Chairman of the Audit committee in appropriate/ exceptional cases.

The Whistle Blower Policy is uploaded on the website of the Company. To further strengthen this mechanism, the Company has launched an Employee App which is available for both android and iOS users to facilitate easy expression of their opinions/suggestions/complaints.

j. Secretarial Standards

The Board of Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

k. Directors Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Directors state:

(i) that in the preparation of the Annual Accounts for the Financial Year ended March 31, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to material departures in the Auditor Report and Notes to Accounts;

(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 and loss of the Company for that period;

(iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the Directors have prepared the Annual Accounts on a "going concern" basis.

(v) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

l. Particulars of Employees

Information on Particulars of Employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report as an **Annexure E**. The information required pursuant to section 197 of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company is available for inspection by the Members at the registered office of the Company during business hours on working days up to the date of ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary, whereupon a copy would be sent.

m. Audit Committee & Composition

The composition of the Audit Committee is in alignment with provisions of Section 177 of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 18 of the Listing Regulations, 2015.

The Audit Committee comprised of Mr. Sandeep Dinodia as Chairman, Mr. Roop Salotra, Mr. Milap Jain, Mr. Dhiraj Dhar Gupta and Mr. Anmol Jain as Director. Ms. Swapnal Patane acts as Secretary to the Audit Committee.

The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control processes, financial reporting and vigil mechanism.

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

IV. Internal Financial Controls and Adequacy

The Company has a comprehensive internal control system to provide reasonable assurance about the achievement of its objective, reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively.

The monitoring and reporting of financial transactions is supported by a web-based system SAP Hana which helps in obtaining accurate and complete accounting records and timely preparation of reliable financial disclosures at all levels of the organization.

a. Risk Management Policy

The Company has adopted an Enterprise Risk Management policy and established a risk management framework with an objective of timely identification, mitigation and control of the risks, which may threaten the existence of the Company, in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Company has also constituted an internal Risk Management Committee to review the risk trend, exposure, potential impact and their mitigation plans, and periodically the key risks are also discussed at the Audit Committee.

b. Auditors

i. Statutory Auditors

The Members in their Meeting held on July 23, 2014 had appointed M/s S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 consecutive years in terms of the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, to hold the office of Auditors till the conclusion of the sixth consecutive Annual General Meeting of the Company to be held in the Year 2019.

In accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Report given by the Statutory Auditors on the financial statement of the Company forms part of this Annual Report. The Auditor Report does not contain any qualification, reservation, adverse remark or disclaimer.

ii. Cost Auditors

The Board has re-appointed M/s Jitender, Navneet & Co. as the Cost Auditors of the Company in accordance with Section 148 and other applicable provisions, if any, of the Companies Act, 2013, for the audit of the cost accounts of the Company for the Financial Year 2017-18.

The Cost Audit Report for the Financial Year 2016 -17 has been filed with the Central Government within the stipulated time on September 27, 2017.

iii. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. I.U. Thakur, Practicing Company Secretary as the Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2017-18.

The Report of the Secretarial Auditor in the prescribed Form MR-3 is annexed herewith as an **Annexure F**. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

iv Internal Auditors

In compliance with the provisions of Section 138 of Companies Act, 2013, read with Companies (Accounts) Rules, 2014, your Company has appointed M/s Pricewaterhouse & Co LLP as Internal Auditors for the financial year 2017-18.

c. Details in Respect of Frauds Reported by Auditors under sub-section (12) of section 143 of The Companies Act, 2013 other than those which are Reportable to the Central Government:

There were no frauds which were reported by Auditors for the year under review.

V. Corporate Social Responsibility (CSR) Policy and Initiatives

Your Company is committed to grow and operate in a socially sustainable manner and continued to give back to society. A well-outlined CSR program creates social and environmental value thus impacting and improving the lives of communities. The key focus areas of your Company have been Education and Healthcare for disadvantaged sections of the society. The Company's focus areas are largely covered under Schedule VII of the Companies Act, 2013. During the year, the Company has added one more school under its education initiative, besides continuing its support to the existing schools by way of providing financial support in terms of enrollment of girl child providing a holistic learning environment, fees of children, E-learning program, contributing towards infrastructure and other facilities for students in the school. Under its healthcare initiatives, the Company is focussing on preventive healthcare by continuously organising health check-up camps, lending financial support to hospitals for juvenile diabetes, cataract operations and partnering in special drives organised by various agencies for this cause.

Your Company endeavored to meet the budgeted expenditure in its CSR activities and has committed to incur expenditure for CSR initiatives, however, discontinuance of support to one school has resulted into a shortfall as such in the CSR expenditure as compared to the stipulated 2 percent of the average net profits of the last three financial years. The Company is committed to spend 2 percent of the average net profits of the last three financial years on CSR activities and it shall ensure compliance of the same going forward. The detailed Report on CSR activities is annexed herewith as **Annexure G**.

Constitution of CSR Committee

The Company has constituted a CSR Committee of the Board and also developed & implemented a CSR Policy in accordance with the provisions of Companies Act, 2013. The Committee monitors and oversees various CSR initiatives and activities of the Company. During the Financial Year 2017-18, the CSR Committee of the Board of Directors comprised of three (3) Members namely, Mr. Roop Salotra, Chairman, Mr. Dhiraj Dhar Gupta, Member, Mr. D. K. Jain, Member. Further, the Board of Directors have also adopted the CSR Policy of the Company as approved by the Corporate Social Responsibility Committee which is also available on the website of the Company at www.lumaxautotech.com.

The contents of the said policy are as below:

1. Purpose
2. Policy Guidelines
3. Scope
4. Areas Covered
5. CSR Committee & Responsibility
6. Board Responsibility
7. Budget
8. Implementation
9. Management Commitment

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

VI. Other Statutory Disclosures as Required Under Section 134 of Companies Act, 2013

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

During the year under review, the Company has ceded the management control of its step down Subsidiary Company i.e Lumax Sipal Engineering Private Limited in favour of the Joint Venture partner, Sipal S.p.A, Italy. Thus this Company ceased to be Subsidiary and became an Associate of the Company.

b. Extract of Annual Return

In accordance with the requirement of Section 92 of Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the annual return in Form MGT 9 is annexed as an **Annexure H**.

c. Investor Education and Protection Fund (IEPF)

Transfer of Unpaid Dividend

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven(7) years. Consequently, your Company has transferred Rs 120,147/- during the year to the Investor Education and Protection Fund, lying with it for a period of seven years pertaining to year 2009-10.

Transfer of Shares underlying Unpaid Dividend

Further, pursuant to provisions of Section 124(6), the shares in respect of which Dividend has not been paid or claimed by the Shareholders for seven (7) consecutive years or more shall also be transferred to the Demat account of IEPF Authority. Accordingly, 1201 shares underlying Unpaid Dividend have been transferred as per the requirement of IEPF Rules.

It may be noted that Unclaimed Dividend/Underlying shares for the Financial Year 2010 - 11 can be claimed by the Members by October 21, 2018. The Notice as stipulated pursuant to the provisions of Section 124 of Companies Act, 2013 read with IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 will be published in the Newspaper inviting the attention of the Shareholders to claim their Dividends.

d. Fixed Deposits

During the year under review, the Company has not accepted any Deposit under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

It is further stated that the Company does not have any deposits which are not in compliance with the requirements of Chapter V of The Companies Act, 2013.

e. Particulars of Loans, Guarantees and Investments

The particulars of loans, guarantees and investments covered under the provisions of section 186 of Companies Act, 2013 are given in the Notes to financial statements.

f. Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company have occurred between April 1, 2017 and the date of this report except the Company has acquired management control over the Associate Company Lumax Gill –Austem Auto Technologies Private Limited by giving casting vote power to the Chairman, who is representing Lumax Auto Technologies Limited w.e.f April 01, 2018.

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

Disclosure of information regarding Conservation of Energy, Research & Development, Technology Absorption and Foreign Exchange Earning and Outgo etc. under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed separately as an **Annexure –I.**

h. Significant and Material orders passed by the Regulators or Courts

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

i. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted the “Prevention of Sexual Harassment at Workplace Policy” and constituted an Internal Complaints Committee (ICC) for Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the related aspects.

The Committee meets as and when required, however minimum one meeting is ensured during the Financial Year to discuss strengthening safety of employees at workplace and also to resolve/address related issues, if any reported during the year.

During the year under Review i.e. 2017-18 Nine (9) meetings of ICC across all plant locations were held. Further, as per the applicable provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)Act, 2013 your Company continues to submit Annual Report to the District Officer consisting of details as stipulated under the said Act

j. Environment Health & Safety

The Company is Committed to provide a safe working environment with a focus on **“Safety Culture Building”** by maintaining a number of Safety Management Systems to manage the risk and as a result reduction in number of incidents and injuries. These systems include safety rules, safety procedures, safety training, hazard identification & correction, incident reporting & investigation, capturing near miss accidents, safety communications and safety suggestions. Each Safety Management System has an important contribution to not only improving workplace safety but also influencing the organization’s safety culture.

Apart from the above, Lumax is also performing below activities sincerely since 2015:

- Regional Safety Meeting for all regions.
- Surface Treatment/ Duct cleaning for locations where paint material & chemicals are used
- KYT - Kiken Yochi Training (Identifying hazard and taking corrective measures with the help of actual users)
- Safety Gemba Audit (Identifying the potential hazard)
- Hazards specific Safety training
- Maintaining Standard Operating Procedures

By ensuring all the above zero accident level is maintained for last two years. Induction programme & regular training of employees and the introduction of formal safety management system help us to mitigate any future incidents.

In financial year 2017-18, the Company's units situated at Chakan, Pune and G-53, Aurangabad achieved OHSAS Certification.

k. Contribution to Exchequer

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

Acknowledgment

It is our belief that we have a leadership team with the right experience and skills to take us into the next decade of growth. We continue to build our skills and add appropriate resources, which will help the Company deliver solid results in the years to come. Your Directors place on record their appreciation for the continued co-operation and support extended to the Company by its highly valued customers, Joint Venture Partners, all the Shareholders, financial institutions & Banks, various Government Agencies.

Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

For and on behalf of the Board of Directors

D.K. JAIN
Chairman
DIN:00085848

Place: New Delhi
Dated: May 28, 2018

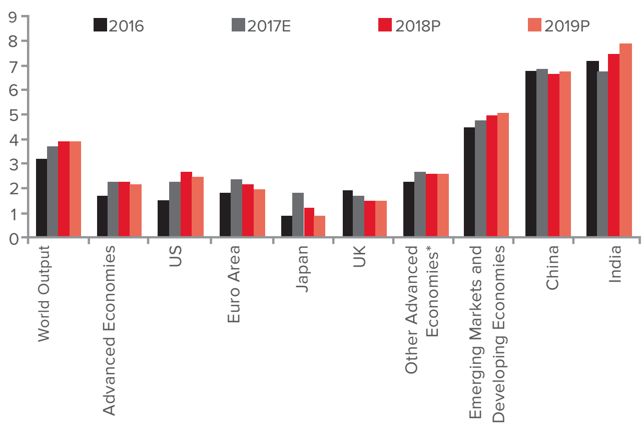
Management Discussion and Analysis

Economic Overview

Global Economy

The global economic activity in 2017 ended on a high note with broad-based growth of 3.8 per cent, the fastest since 2011. About Two-thirds countries accounting for about three-fourths of global output experienced faster growth in 2017 than the previous year. It was driven by an investment recovery in advanced economies, continued strong growth in emerging Asia, a notable upswing in emerging Europe, and signs of recovery in several commodity exporters. Global trade, which tends to be highly correlated with global investment, recovered strongly in 2017 after two years of weakness, to an estimated real growth rate of 4.9 per cent. Resurgent investment spending in advanced economies and an end to the investment decline in some commodity exporting emerging and developing economies were the key highlights of last year. Among advanced economies, large exporters such as Germany, Japan, the United Kingdom (UK), and the United States (US), contributed strongly to the recovery in exports, while the recovery in imports was broad-based, except in the UK. Among emerging and developing economies, the rebound in export growth was particularly strong in emerging Asia, especially in China.

Global Economic activity to pick up in 2018 and 2019



**Excludes the G7 (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and Euro Area countries*

E=estimate; P=projections

(Source: IMF)

Advanced economies registered 2.3 per cent growth in 2017 as against 1.7 per cent in 2016 led by strong pickup in investment spending. Both stronger gross fixed capital formation and an acceleration in stock building contributed to the pickup in investment. Accommodative monetary policy, stronger balance sheets, and an improved outlook helped release pent-up demand for capital goods.

The Euro area witnessed broad-based improvements across member countries spurred by policy stimulus and strengthening global demand. Growth in 2017 stood at 2.3 per cent versus 1.8 per cent in 2016. Private sector credit continued to respond to the stimulative stance of the European Central Bank (ECB), and both domestic demand and import growth were robust.

Emerging Market and Developing Economies registered 4.8 per cent growth in 2017 as against 4.4 per cent in 2016, primarily from acceleration in private consumption. Growth in China and India last year was supported by resurgent net exports and strong private consumption respectively, although investment growth has slowed during the year. Cyclical improvements were witnessed in Argentina, Brazil, Nigeria and the Russian Federation, as these economies recover from recession. The growth in these regions contributed almost one-third of global growth between 2016 and 2017.

(Source: IMF)

Outlook

As financial conditions are still supportive, global growth is expected to pick up to 3.9 per cent in both 2018 and 2019. The growth is expected to be driven by a projected pickup in growth in emerging market and developing economies and resilient growth in advanced economies. Euro area economies are set to reduce excess capacity with support from accommodative monetary policy. Expansionary fiscal policy is expected to drive the US economy above full employment. Aggregate growth in emerging market and developing economies is projected to firm further, with continued strong growth in emerging Asia and Europe and a modest upswing in commodity exporters after three years of weak performance. However, this positive momentum will eventually slow, leaving many countries with a challenging medium-term outlook. US tax reform will lead to challenges starting in 2020. Post that, more negative impact will be seen as full investment expensing is phased out starting in 2023. Prospects remain favourable in emerging Asia and Europe, but are challenging in Latin America, the Middle East and sub-Saharan Africa. Despite some recovery, medium-look outlook for commodity exporters remain generally subdued, with a need for further economic diversification and adjustment to lower commodity prices. India and China are the only two economies that are projected to surpass the world's growth rate at 7.4 per cent and

6.6 per cent respectively in 2018. However, China's transition to lower growth is expected to resume as credit growth and fiscal stimulus diminish. Some threats which may hamper medium-look global outlook include change in climatic conditions, increasing geopolitical tensions and cyber security breach.
(Source: IMF)

Crude oil prices

The crude oil price grew 23.3 per cent in 2017 as against a decline of 15.7 per cent seen in 2016. Oil prices increased to more than USD 65 a barrel in January 2018, the highest level since 2015, following unplanned outages on the US Gulf Coast and in Libya, the North Sea, and Venezuela; an extension to the end of 2018 of the Organization of the Petroleum Exporting Countries agreement on production targets; and stronger global economic growth. Prices moderated to USD 63 a barrel in February 2018. Oil prices are projected to moderate slightly in the medium term, based on expectations of an increase in US production due to continued efficiency gains in the shale oil industry, moderate non-OECD demand growth and very limited OECD demand growth. Downside risks for oil prices arise mainly from the resilience of the US shale industry and from weak compliance to the agreed production cuts. Conversely, upside risks to prices include the possibility of supply disruptions among politically stressed oil producers (e.g., Iraq, Libya, Nigeria), as well as stronger demand growth.
(Source: World Economic Outlook 2018, IMF; World Bank)

Indian Economy

After a year of disruptions and growth slow-downs, Indian economy is consolidating the gains from the recent reforms and is moving in the right direction. Improved domestic conditions, potential revival in rural sector and small scale businesses and increase in infrastructure projects are providing strong impetus to growth. As per second advanced estimates issued by the Central Statistics Organisation (CSO), India's GDP at constant prices is expected to grow by 6.6 per cent in financial year 2017-18 as compared to 7.1 per cent in the previous year. The slower growth as compared to previous year is attributable to lingering effects of demonetisation, implementation of Insolvency and Bankruptcy Code (IBC) and the implementation of Goods & Services Tax (GST). The Government's impetus on Make in India, investment in road and transportation infrastructure and Smart Cities, rising middle class disposable income and lower inflation will cumulatively contribute to this growth.

Stable governance and Government initiatives

Over the past few years, the Government had undertaken a series of transformational reforms that have positively impacted the economy. Some of the structural reforms include introduction of GST, the bankruptcy code, and demonetisation. Some other reforms such as Niti Aayog, Digital India, Make in India, Atal Pension Yojna, Garibkalyanyojna, Udaan Scheme, Skill India, Smart City Mission, etc. are expected to show positive meaningful impact in the medium to long term. However, some of these transformational and structural reforms such as demonetisation and GST also led to short-term slowdown in the economy.

In order to ensure that the economy is on track to achieve an 8 per cent growth on a sustainable basis, the Government announced a series of initiatives in its Union Budget 2018-19. The Government has primarily targeted the four engines of economy for pump priming – consumption, investments, exports and employment. The Government's strong push for improving road infrastructure, 'Make in India'initiative, 'National Auto Policy 2018', and NEMMP 2020, among others, gave huge boost to automotive industry. The Government aims to develop India as a global manufacturing centre given the strong demographic profile and cost advantages.

Outlook

As per IMF, India is expected to grow at 7.4 per cent in the financial year 2018-19 and 7.8 per cent in the financial year 2019-20, leaving its nearest rival China behind. The negative effect of major reforms like GST and demonetisation is wearing off now as there is high optimism in domestic demand in the form of consumption and revival in small scale business activities, resulting in an increase in FDI flows into the country. Revival in rural demand, increased infrastructure spending is likely to drive India's growth in current year, even as increasing debt and trade protectionism could pose a challenge.

Over the medium term, the GST is expected to benefit economic activity and fiscal sustainability by reducing the cost of complying with multiple state tax systems, drawing informal activity into the formal sector, and expanding the tax base. The recent recapitalisation package for public sector banks announced by the Government of India is expected to help resolve banking sector balance sheets, support credit to the private sector, and lift investment. The global trade recovery is expected to lift exports.
(Source: https://economictimes.indiatimes.com/news/economy/policy/view-budget-2018-to-reduce-the-gap-between-rural-bharat-and-urban-india/articleshow/62792926.cms; https://auto.economictimes.indiatimes.com/news/industry/india-to-grow-at-7-4-per-cent-in-2018-imf/63803192; https://economictimes.indiatimes.com/news/economy/finance/indian-economy-to-witness-faster-than-expected-growth-in-2018-deloitte/articleshow/63286255.cms)

Industry Overview

A global perspective

The global automotive industry is at the crossroad of a technology transformation phase. Unlike the past cycles of booms and busts, the industry is witnessing disruptions across technology, vehicle connectivity, consumer preferences and business models. There is a clear shift happening to cleaner and greener transportation mediums in the form of roll-out of Battery Electric Vehicles (BEVs) coupled with vehicles that are more intelligent. The growth in the auto industry is likely to be led by emerging and vibrant economies. Russia and Brazil are expected to recover in 2018, but economic crises can have magnified impact on car sales and both the markets may find it difficult to chase growth targets. China's economic growth is expected to slow down because of imbalances in credit, housing, and industrial markets, resulting in less momentum behind auto sales growth. Many mature markets have been witnessing quicker releases of newer vehicles on account of increased demand. Brexit has had significant impact on the vehicle sales in Europe. For example, Germany witnessed a 2.6 per cent increase in vehicle sales over 2016, registering sales of 3.7 million units in 2017. UK witnessed a drop in sales by almost 6 per cent in 2017 after registering sales growth for five straight years. This trend is expected to continue till 2019. In order to achieve growth in the entire automotive industry; a strategic shift is expected to happen from mature economies to vibrant emerging economies in the next few years.

Domestic Automotive industry

India's automotive industry is well-positioned for growth due to its demographic and economic advantages. These factors help Indian industry players to serve both domestic demand and stay competitive for export opportunities. India's high working-age population helps to stimulate the burgeoning market for private vehicles. Rising prosperity, easier access to finance and increasing affordability is expected to see four-wheelers gaining volumes, at the same time two-wheelers will continue to remain the primary choice for majority of purchasers, buoyed by greater appetite from rural areas, the youth market and women.

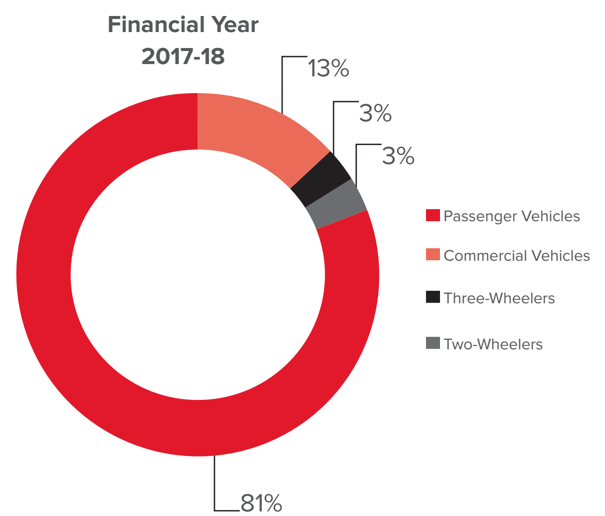
India is home to more than 0.2billion vehicles. The Indian Auto industry, comprising passenger cars, two-wheelers, three-wheelers and commercial vehicles, is the fourth largest in the world. It overtook Germany as the fourth largest global automotive market, right behind China, the United States and Japan. As one of India's major sectors, the auto industry accounts for nearly 50 per cent of the country's manufacturing GDP. The industry accounts for 7.1 per cent of the country's GDP. The Indian auto manufacturers produced a record 2,90,14,565 vehicles in the financial year 2017-18 as against 2,53,44,006 in the financial year 2016-17, up by 14.48 per cent. This robust growth is primarily supported by improvement in the rural economy and partly due to demonetization-influenced low base.

(Source: SIAM, https://auto.ndtv.com/news/auto-sales-indian-auto-industry-registers-over-12-per-cent-growth-in-fy-2018-1835483)

Domestic Sales

The overall domestic sale was 24.97 million vehicles in the financial year 2017-18, an increase of 14.22 per cent over the previous financial year. The domestic market continued to be dominated by the Two-Wheelers segment in the financial year 2017-18 comprising 81 per cent of the total domestic sales. Passenger Vehicles, Commercial Vehicles and Three-Wheelers contributed 13 per cent, 3 per cent and 3 per cent respectively to domestic sales. The highest growth was recorded in the Three-Wheeler segment.

Segment-wise break-up of domestic sales

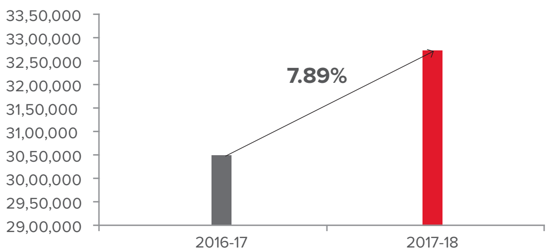


(Source: SIAM)

A total of 3.29 million Passenger Vehicles were sold in the domestic market in the financial year 2017-18, an increase of 7.89 per cent over the previous year. The growth was mainly led by Utility Vehicles which recorded 20.97 per cent growth. Passenger Cars and Vans grew by 3.33 per cent and 5.78 per cent respectively. The contribution of top 20 cities that generate about 50 per cent of Passenger Vehicle sales have shown slow growth in the last four to five years. Growth is mainly being driven by demand from smaller towns and semi-urban areas. However, recently launched new models fared better in the market, a clear indication that consumers are looking for innovative features, new designs and styling their vehicles even if it comes at a slightly higher cost.

(Source: www.grantthornton.in)

Domestic Sales in Passenger Vehicles

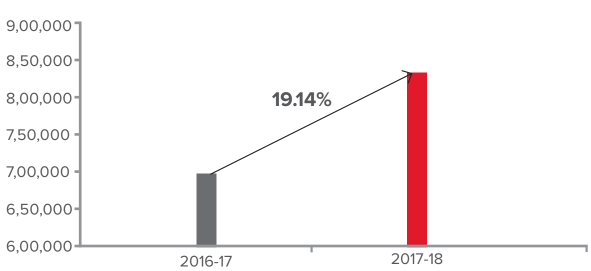


(Source: SIAM)

A total of 8,56,453 Commercial Vehicles were sold in the domestic market in the financial year 2017-18, an increase of 19.14 per cent over the previous year. Within the segment, Light Commercial Vehicles (LCVs) grew by 25.42 per cent while the Medium & Heavy Commercial Vehicles (M&HCVs) grew by 12.48 per cent. The major reasons of the increased sales of CVs have been new model launches in popular categories, GST benefits passed on to the customers and introduction of new technologies like Selective Catalytic Reduction (SCR) to meet emission norms.

(Source: www.grantthornton.in)

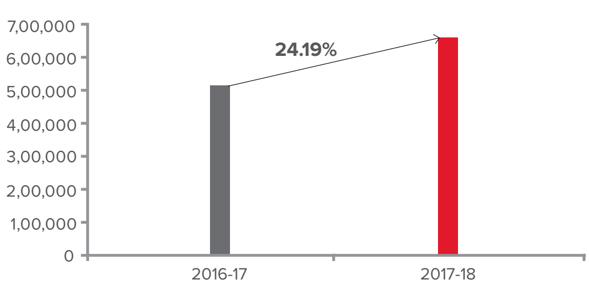
Domestic Sales in Commercial Vehicles



(Source: SIAM)

A total of 6,35,698 Three-Wheelers were sold in the domestic market in the financial year 2017-18, an increase of 24.19 per cent over the previous year. Within the segment, Passenger Carrier witnessed a massive jump of 28.65 per cent while Goods Carrier registered 7.83 per cent growth over the previous year.

Domestic Sales in Three-Wheelers

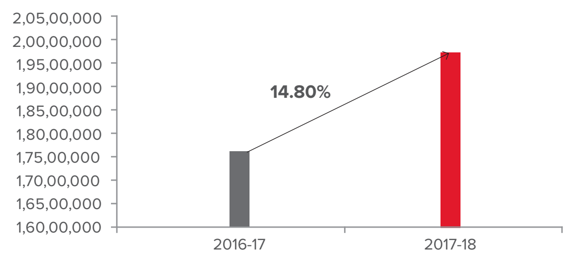


(Source: SIAM)

A total of 20.19 million Two-Wheelers were sold in the domestic market in the financial year 2017-18, an increase of 14.80 per cent over the previous year. Within the segment, Scooters and Motorcycles grew by 19.90 per cent and 13.69 per cent respectively. However, Mopeds witnessed a sales decline of 3.48 per cent over the previous year. Rural market demand for Two-Wheelers has improved significantly after two straight years of near-normal monsoon. Growth in Motorcycle sales of over 10 per cent was recorded for the first time in six years on improved demand for cheaper motorcycles from rural and semi-urban markets.

(Source: https://www.livemint.com/Industry/6DWdmeUSV4s28eYSZs50rJ/Indias-automobile-industry-sees-rural-India-driving-sales-i.html)

Domestic Sales in Two-Wheelers



(Source: SIAM)

Exports

Overall 4.04 Crore vehicles were exported in the financial year 2017-18, up 16.12 per cent over the previous year. The growth was primarily led by 40.13 per cent increase in exports of Three-Wheelers and 20.29 per cent rise in exports of Two-Wheelers. The other two sub-segments witnessed decline, with Passenger Vehicles and Commercial Vehicles registering decline of 1.51 per cent and 10.53 per cent respectively.

(Source: SIAM)

Key developments in the domestic market

- Advancement of BS-VI norms in Delhi, NCR by two years
- India became the 27th most attractive luxury market in the world
- Sales of approximately 2-2.5 Crore electric vehicles expected in India by 2030
- Union Budget indirectly gave a boost to small and medium sized auto components manufacturers

(Source: http://businessworld.in/article/-EV-Sales-In-India-To-Account-For-30-35-Of-New-Vehicles-Market-By-2030-/13-02-2018-140519/; https://economictimes.indiatimes.com/industry/auto/news/passenger-vehicle/cars/how-technology-and-driving-habits-are-causing-a-churn-in-the-auto-industry/articleshow/63763577.cms; https://energy.economictimes.indiatimes.com/news/oil-and-gas/bsvi-norms-india-revises-standards-specifications-for-petrol-and-diesel/62553578; IBEF)

The auto industry is set for a major change with advancement in the introduction of revision in the standards on petrol and diesel as per Bharat Stage (BS) VI fuel norms from the earlier BS-IV emission norms. The amount of Sulphur in both petrol and diesel in BS-VI fuel is limited to a maximum of 10 parts per million (PPM). Oil retailers introduced the BS-IV grade auto fuel across the country in April 2017 and have planned to leapfrog to BS-VI grade fuel by April 2020. The Companies have already invested around Rs 30,000 Crore in order to upgrade their facilities to adhere to the grade change. However, in response to the deteriorating air quality in the national capital, in November 2017 the Oil Minister announced the Government's plan to advance the introduction of cleaner auto grade fuel Bharat Stage-VI or BS-VI in Delhi and National Capital Region. In rest of the country, these will be implemented from April 1, 2020.

(Source: https://energy.economictimes.indiatimes.com/news/oil-and-gas/bsvi-norms-india-revises-standards-specifications-for-petrol-and-diesel/62553578)

Luxury car sales in 2017 stood at 40,000 units versus 33,279 units in 2016. With this growth, India became the 27th most attractive luxury market in the world. The luxury car market in India is expected to grow at 25 per cent CAGR till 2020.

(Source: IBEF)

The Indian Government has shifted its focus on electric cars in order to meet the emission reduction targets. The seriousness was clearly reflected at the Auto Expo 2018, which saw the highest number of electric vehicle (EV) showcases by Original Equipment Manufacturers (OEMs) across vehicle segments, including two-wheelers, three-wheelers, passenger vehicles and commercial vehicles. Frost & Sullivan estimates sales of approximately 2-2.5 million EVs in India by 2030, accounting for about 30-35 per cent of the new vehicles market. In 2017, EV global sales crossed 1.1 million (1 per cent of car sales) for the first time. While EVs are not yet mainstream, Government's push and other indications point to a growing momentum. Stricter emission norms, reducing battery prices and increasing consumer awareness are likely to be the driving factors for EV adoption in India.

(Source: http://businessworld.in/article/-EV-Sales-In-India-To-Account-For-30-35-Of-New-Vehicles-Market-By-2030-/13-02-2018-140519/; https://economictimes.indiatimes.com/industry/auto/news/passenger-vehicle/cars/how-technology-and-driving-habits-are-causing-a-churn-in-the-auto-industry/articleshow/63763577.cms)

In Union Budget 2018-19, the Government announced a few initiatives for the domestic automobile industry which includes:

- Reduction of tax to 25 per cent for Companies with turnover up to Rs 250 Crore and increased allocation of Rs 3,794 Crore towards Micro, Small and Medium Enterprises (MSMEs) credit support will likely give a boost to auto component manufacturers as nearly 90 per cent of these falls under MSME category

- Increased allocation for infrastructure projects such as national highways (target completion in financial year 2017-18 is 9,000 kms) and Bharat Mala project (target completion of 35,000 km in Phase 1 at the cost of Rs 5.35 Lac Crore) for seamless connectivity in the Union Budget should give much needed push to the sector especially M & HCVs.

- Good rural focus (credit for agricultural activities increased from Rs 10 Lac Crore to Rs 11 Lac Crore) will primarily help to boost retail growth in rural market and thereby bring more growth in auto industry especially to Two-Wheelers, farm equipments and LCVs

- In order to promote the Make in India programme the customs duty rates have been increased on automotive parts, Completely Build Up (CBU) and Semi-Knocked Downs (SKD) which bodes well for domestic auto components manufacturers

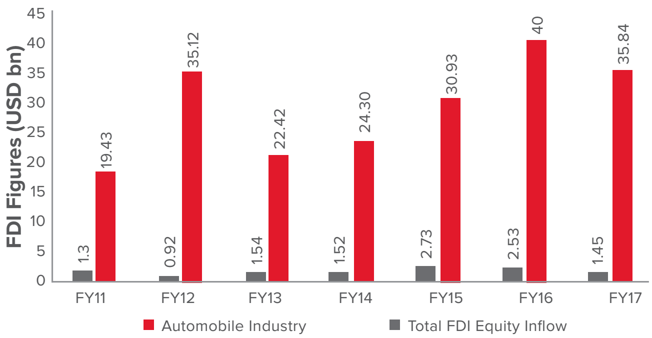
The Government of India's National Auto Policy 2018 aims to boost the sector growth. As per the plan, automotive industry is expected to achieve a turnover of USD 300 billion by the year 2026 growing at 15 per cent CAGR. Contribution of auto industry in the country's GDP is envisioned to rise to 13 per cent with creation of more than 100 million jobs in the economy. Companies will invest around USD 80 billion as a part of their capital expenditure.

Foreign Direct Investment

The Indian automobile industry has been a key beneficiary of FDI, ever since the economy opened up since with in the early 1990s, being consistently among the top five industries attracting FDI in India. Most of the global automotive giants set their manufacturing or assembling units in the country, giving rise to the possibility of potential spillover benefits accruing to the industry. The industry has attracted Foreign Direct Investment (FDI) worth USD 18.413 billion during the period April 2000 to December 2017, according to data released by Department of Industrial Policy and Promotion (DIPP).

(Source: DIPP)

FDI Trends over the past few years



(Source: www.grantthornton.in)

Outlook

The automotive industry is supported by various factors such as availability of low cost skilled labour, robust R&D centres and low cost steel production. The Indian automotive Aftermarket is estimated to grow at around 10-15 per cent to reach USD 16.5 billion by 2021 from around USD 7 billion in 2016. It has the potential to generate up to USD 300 billion in annual revenue by 2026, create 65 million additional jobs and contribute over 12 per cent to India's Gross Domestic Product.

The Indian automotive industry is expected to carry the momentum in the next year as well across majority of segments, with some moderation in Commercial Vehicle growth. The upcoming elections will also likely to provide a boost to vehicle sales. In the medium term, the industry is facing large investments in R&D and product development towards implementation of upcoming regulatory changes, especially to meet BS-VI emission norms, push towards electric vehicles and improvement in safety standards.

Normal monsoon, higher crop prices, Government spending on infrastructure, election related spending by political parties and a continued recovery in the mining sector and commodity prices are likely to bode well for rural income. This in turn will contribute towards higher automobile sales especially the Two-Wheelers and Light Commercial Vehicles. However, there are headwinds in terms of impending increase in interest rates, crude prices, and inflation.

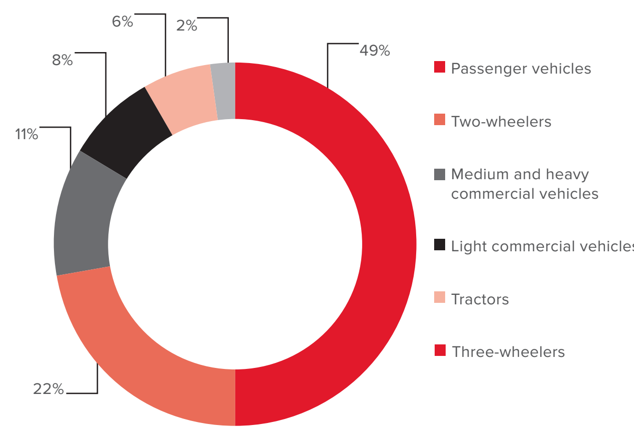
(Source: https://auto.ndtv.com/news/auto-sales-indian-auto-industry-registers-over-12-per-cent-growth-in-fy-2018-1835483; https://www.livemint.com/Industry/6DWdmeUSV4s28eYSZs50rJ/Indias-automobile-industry-sees-rural-India-driving-sales-i.html)

Auto Components industry

The growth of the Indian auto component industry largely depends upon the growth of OEMs and Aftermarket demand. The OEM demand accounts for approximately 80 per cent of the total component demand; the remaining 20 per cent is primarily by replacement/Aftermarket segment. The sector is largely unorganised and primarily caters to the replacement/Aftermarket segment. The organised sector comprises of big players supplying components directly to OEs. There are over 700 players operating in this segment comprising Tier 1 and 2 players. Recently, the replacement demand has been decreasing, putting pressure on Tier 3 and 4 players.

Currently, the Indian auto component industry exports to more than 160 countries. Key auto components exported from India include gear boxes and parts, hydraulic power steering systems and steering gear systems and its parts, diesel engine parts, drive-axles and parts, suspension systems and parts, brakes and servo-brakes, spark ignition and parts, among others. Engine, transmission and steering parts contribute to over 40 per cent of the total export portfolio.

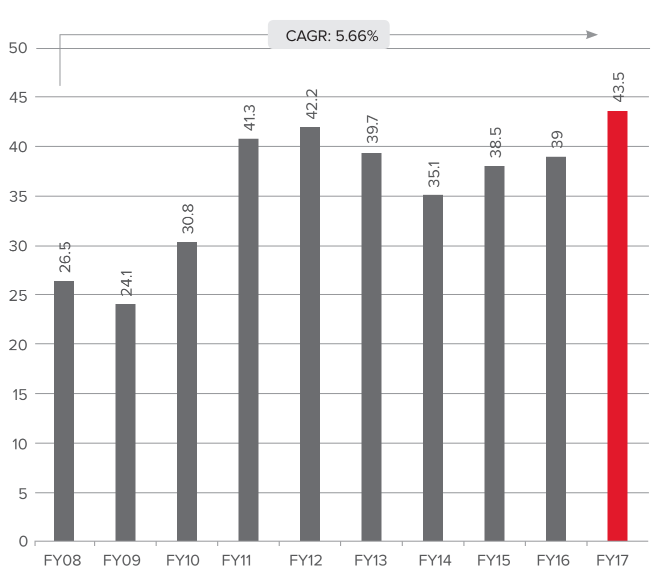
Auto Component Supply to OEMs 2017



(Source: IBEF)

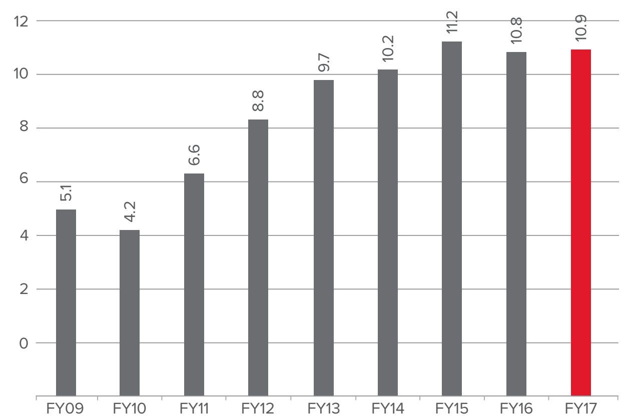
Auto Components Total Turnover and Exports

Aggregate Turnover* (USD billion)



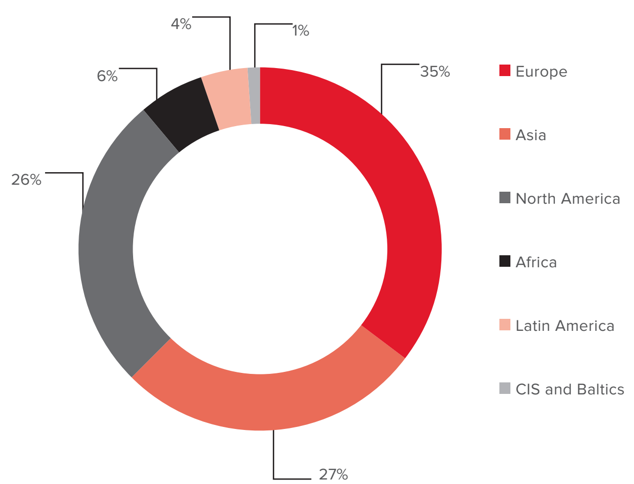
(Source: IBEF)

Value of Auto Component Exports (USD billion)



(Source: IBEF)

Shares in Export Volumes by Geography 2017



(Source: IBEF)

Nearly 30-35 per cent of the auto components used by OEMs are imported. The share of imported consumption has significantly increased over the last one decade with the entry of new global OEMs. Engine transmission, steering and suspension parts account for over 50 per cent of the total component import portfolio. The dependence on the imports presents both a threat and an opportunity for the Indian auto component manufacturers. OEMs will look at forming long-term supply contracts with overseas suppliers, therefore putting pressure on local manufacturers. The opportunity for local manufacturers is to understand spare requirements and move up the value chain while focussing on cost and quality competitiveness.

The demand for auto components from domestic OEMs, especially high-volume two-wheeler and passenger-vehicle (PV) industry which together constitute about two-thirds of overall ancillary industry size, has remained strong in the financial year 2017-18.

Almost all mainstream international luxury car makers have local assembly bases. The higher import duty structure and fluctuating currency compels carmakers to look at deeper localisation. The thrust on localisation especially with the Centre and several state Governments taking up the 'Make in India' drive earnestly, the auto components manufacturers are set for robust growth in the future.

(Source: www.grantthornton.in)

Outlook

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to four times to reach USD 40 billion by 2020. Tightening of regulatory environment, intensifying safety standards and greater adoption of technology, has triggered key disruptions in the form of electrification and BS-VI. Over the next decade, this will lead to newer verticals and opportunities for and would require them auto component manufacturers to adapt to the change via systematic research and development. The survival of the Indian Auto Component manufacturers will be largely dependent on how soon and effectively they are able to adapt and transform their business models in line with the industry disruption.

Players across the automotive value chain would need to focus on three critical areas to be future-ready, namely:

- Focus on R&D and Technology through M&As, JVs, and technical collaborations, both within component industry as well as software developers
- Focus on addressing skill gap development through increased industry and academia interaction as well as investment in training, capacity building / skill building and certifications
- Embrace globalisation by creating an in-house Company culture of being truly global

  (Source: IBEF, www.grantthornton.in)

Opportunities & Challenges

Opportunities

The key factors driving growth of automobile and automotive components industry in the country include:

Robust demand

Rising income, middle class, young population and growing working population are expected to remain key demand drivers. India is set to break into the league of top vehicle producing nations. Reduction of the excise duties in motor vehicles is likely to spur the demand for auto components. Greater availability of credit and financing options also increase the demand for automobiles. Robust growth in rural income led by normal monsoon, higher crop prices and favourable Government policies can boost demand for LCV, Two-Wheelers and farm equipments. Demand for CVs is on the rise due to increased road construction in urban and rural areas.

Innovation

Innovation is likely to intensify among engine technology and alternative fuels. Government aims to build India into an R&D hub. The Indian Government has shifted its focus on electric cars in order to meet the emission reduction targets. EV sales are poised to rise further on the back of cheaper energy storage costs and the Government of India's vision to see six million electric and hybrid vehicles in India by 2020.

Rising indigenisation

The growth of global OEM sourcing from India and the increased indigenisation of global OEMs is turning the country into a preferable designing and manufacturing base. Several global Tier-I suppliers have also announced plans to increase procurement from their Indian subsidiaries. India is also emerging as a sourcing hub for engine components, with OEMs increasingly setting up engine manufacturing units in the country.

Competitive advantage

A cost-effective manufacturing base in India keeps costs lower by 10 per cent - 25 per cent relative to operational costs in Europe and Latin America. Presence of a large pool of skilled and semi-skilled workforce proves as a cost advantage.

Favourable Government policies

- National Auto Policy 2018 targets a four-fold growth for the sector
- Strong support for R&D and product development by establishing NATRiP centres
- 100 per cent FDI allowed under automatic route for auto component sector
- Increasing investment in road infrastructure
- Establishing special auto parks and virtual SEZs for auto components
- Lower excise duty on specific parts of hybrid vehicles
- Automotive Mission Plan 2016-26
- Faster Adoption and Manufacturing of Electric Hybrid Vehicles (FAME, April 2015)
- NMEM 2020
- Reforms like GST to help boost the sector's growth by making the economy more formalised

Improving product-development capabilities

In the past few years, investments in R&D operations have been increased and laboratories are being set up to conduct activities such as analysis, simulation & engineering animations. The growth of global OEM sourcing from India and the increased indigenisation of global OEMs is turning the country into a preferred designing and manufacturing base.

Challenges

Limited employability of the workforce

There is a considerable opportunity to bridge the gap between the quality of workers trained out of the skill development institutions and the industry requirements. Out of the 0.4 million engineering graduates joining the workforce every year in India, only 20 per cent are readily employable. Rapid progression of technology in the sector poses even bigger challenge to the employability of workers in the automotive industry.

Absence of a roadmap for skill development

The skills being imparted to technicians, engineers and shop floor workers in the Indian automotive industry may turn obsolete in merely a span of 2-3 years due to the rapid evolution of technology. By aligning the skill development plan with the forecasted technological changes, the workforce across the value chain can be prepared to meet the needs of the future.

Escalating costs of supply chain operations

India's logistics costs as a percentage of GDP are relatively high at around 14 per cent. While the Government needs to expedite the building of critical infrastructure, the industry must focus on innovative and analytical solutions to rationalise costs. The Government needs to enable the automotive industry to improve the model mix of transport and shift from a traditionally dominant share of road transport towards more cost-effective means of transport such as railways, coastal routes etc.

Inadequate infrastructure to handle higher exports

National Auto Policy 2018 envisages exports to comprise 35-40 per cent of the automotive sector over the next decade. In order to achieve this, the Indian automotive industry will need to evolve towards a globally integrated model and a tailored value chain. To support the automotive industry in such a transformation, the Government must facilitate comprehensive development of dedicated facilities at several ports to reduce lead times and costs.

Low capability in new technology areas

Technology transfer and domestic capability building has potential growth opportunity in the auto components sector, after the entry of several international component manufacturers. With increasingly stringent regulations and standards, there is a critical need to improve technology access, capability and skill levels at component manufacturer. Other than this, domestic capability for producing components used in green vehicles is extremely low and will be a major bottleneck for shifting the domestic mix to cleaner vehicles.

Risks & Concerns

Risk	Mitigation Measures
Macro-economy risks: Unfavourable events like high inflation, macro-economic slowdown, etc. may pose risk to revenue flow	India has a favourable demographic profile which coupled with strong Government push to drive the nation as a manufacturing and exports hub in the automotive sector minimises the risk to revenues arising from unfavorable macro-economic factors
Competition risk: High growth potential of the automotive sector makes it lucrative for new players. Also step up in competition from existing players poses risk to the Company	The Company has a heritage of over three decades experience in the Indian auto space. Other than long standing relationships with suppliers and brands, the Company is firmly rooted with respect to manufacturing facilities, network distribution, marketing team and focussed R&D capabilities. The deep understanding of the pulse of the automobile makers, gives an advantage over competition
Quality risk: Failure to adhere to norms poses a significant risk. It is imperative for the Company to upgrade its quality and adhere to changing norms	The Company supplies to leading brands which have strict norms and insist on adherence for auto components they use as raw materials. The Company has strict quality control processes and are committed to maintain and upgrade quality and productivity enhancing initiatives to maintain competitiveness
Raw material risk: Any fluctuations in raw material price or issue in availability could hamper production	Robust procurement policy, expertise in inventory management, understanding of price fluctuation of raw materials and long-lasting relationship with suppliers helps the Company in ensuring timely, regular and adequate supply of raw materials

Review of Financial Performance

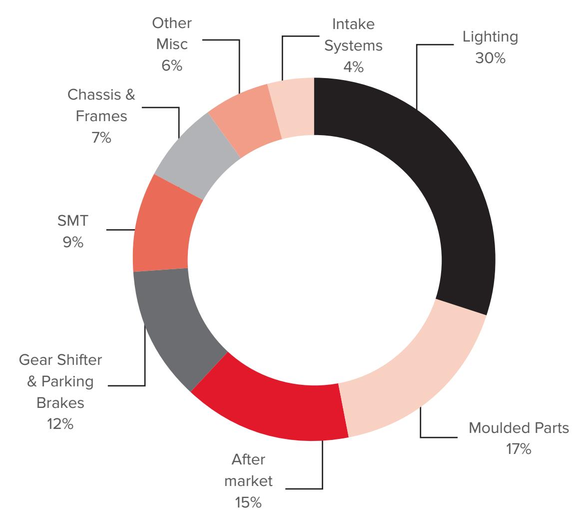
The Consolidated Revenue stood at Rs 1,111.47 Crore in the financial year 2017-18 as against Rs 965.42 Crore in the financial year 2016-17, up by 15.13 per cent. The growth was led by increased volumes of major customers of the Company i.e. Bajaj Auto Limited (BAL), Honda Motorcycles & Scooters India Ltd. (HMSI) and Maruti Suzuki India Limited (MSIL). The Company has completely re-strategised and re-launched its products under the new brand identity, which has helped to improve the brand positioning.

Product-wise revenue mix

Lighting Division Revenue stood at Rs 331 Crore in the financial year 2017-18. It continued to be the highest contributor to revenue with 30 per cent share. Other major Revenue contributors include Moulded Parts 17 per cent, Aftermarket 15 per cent and Gear Shifter 12 per cent etc.

Product-wise revenue mix (%)

Financial Year 2017-18



The Company reported EBITDA of Rs 113.93 Crore in the financial year 2017-18 as against Rs 88.30 Crore in the financial year 2016-17. EBITDA margin has increased by 170 basis points to 10.3 per cent against 8.6 per cent in last year, largely on account of better operating efficiencies and improved performance of the subsidiaries and JVs.

The Profit After Tax after Minority Interest stood at Rs 48.74 Crore in the financial year 2017-18 as against Rs 34.50 Crore in the financial year 2016-17. There was a higher taxation, as the Pantnagar plant was no longer exempted from tax benefits from this financial year.

EPS stood at Rs 35.76 in the financial year 2017-18 as against Rs 25.31 in the financial year 2016-17 on face value of Rs 10 per Equity Share.

Internal Control Systems And Their Adequacy

The internal control structure is designed to operate as a well synchronised system consisting of regular risk assessment and mitigation and monitoring. The Company has an elaborate system of identifying key business risks and taking mitigating steps. The Company's internal team and an independent Internal Audit Firm keep a close eye on business operations and deviations if any are immediately brought to the notice of the Management and Audit Committee for timely correction. Well-documented policies and procedures enable the Company to strictly adhere to all applicable procedures, laws, rules and statutes. The Company's robust IT systems safeguard sensitive data and eases out audit process. Accounting Standards are strictly followed while recording transactions. A host of strategies are devised in addition to robust MIS systems, for real-time reporting and to control expresses so as to control expenses. Any variance from budgetary allocations are promptly reported and corrected to ensure strict compliance.

Significant Development in Human Resources

The Company believes that an excellent talent pool is the key to excellent business results. People Management Practices in the Company continually strive towards attracting, retaining, and developing the best talent required for the business to grow. To enhance the productivity of its human capital, the Company provides regular skill and personnel development training. The Company also ensures a safe, conducive and productive work environment. HR policies ensure that employee goals and Company goals are well aligned.

A significant proportion of the blue collared employees are registered with the Company's Quality Control Circles (QCC). This helps in providing adequate and relevant job enhancing skills. Kaizen, Quality Circles, Total Productivity Maintenance, Total Quality Management, 5-S, 6 sigma, 7-W and other international shop floor improvement initiatives are adopted and followed to enhance processes and productivity.

In order to ensure strict compliance to safety norms, the Company periodically undertakes regional safety meeting. These help to ascertain that safety audits are conducted and monitored at all the plant locations. The Company also provides training to enable identification of key areas of hazards in the workplace. Appropriate solutions are put in place, keeping in mind the dangers identified through this training.

In the financial year 2017-18, employee relations remained cordial and the total no. of employees were 720.

Cautionary Statement

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

Annexure B

Report on Corporate Governance

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

Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner, most beneficial to all the Stakeholders, the Government and the Society at large.

This Report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended from time to time, and the Report contains the details of Corporate Governance systems and processes at the Company.

Your Company has a strong foundation that reflects its values and established standards governing the ethical behaviour. Your Company continues to place great emphasis on the principles of Corporate Governance. Our pursuit towards achieving good governance is an on-going process.

1. Company's Philosophy

The Company has a strong legacy of fair, transparent and ethical governance practices and it believes that good Corporate Governance is essential for achieving long-term corporate goals and to enhance stakeholders' value. In this pursuit, the Company's Corporate Governance philosophy is to ensure fairness, transparency and integrity of the management, in order to protect the interests of all its stakeholders. All Directors and employees are bound by a Code of Conduct that sets forth the Company's policies on important issues, including its relationship with Customers, Suppliers, Contract Manufacturers, Shareholders and Government.

In the conduct of your Company's business and its dealings, it abides by the principles of honesty, openness and doing what is right and fair. Your Company is committed to doing things the right way, which means, taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation. These principles guide our behavior at all times.

The 3-Tier Corporate Governance Structure:

- Shareholders appoint and authorize the Board of Directors ('Board') to conduct business with objectivity and ensure accountability;
- Board leads the strategic management of the Company on behalf of the Shareholders, exercises supervision through direction and controls and appoints various Committees to handle specific areas of responsibilities; and
- The Committees of the Board and Executive Management appointed by the Board take up specific responsibilities and day-to-day tasks to ensure that the activities of the Company run according to the strategies and targets set by the Board.

Our Corporate Governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not just the letter of the law.
- Corporate Governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Have a simple and transparent corporate structure driven solely by business needs.
- Management is the trustee of the Shareholders' capital and not the owner.

2. Board of Directors

The Board of Directors is the apex body constituted by the Shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the Shareholders are being served. The Executive Director is assisted by senior managerial personnel in overseeing the functional matters of the Company. The Board has constituted four Committees of the Board, namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee The Board is authorised to constitute additional functional Committees, depending on business needs or as may be required by law.

(a) Composition and Category of Board of Directors:

The Company's Board of Directors have an optimum combination of Executive and Non-Executive Directors who are eminent individuals from Industrial, Mechanical, Technical, Financial, Marketing background. The Board of Directors consisted of nine (9) Directors. Out of these nine (9) Directors, two (2) Directors are Executive Director(s) including the Chairman, two (2) Directors are Non- Executive Directors and five (5) are Non-Executive Independent Director(s) including Woman Director. The Managing Director is assisted by Senior Managerial Personnel in overseeing the functional matters of the Company.

The said information as on March 31, 2018 is presented as below:

Sr. No.	Name of Directors	Category
A.	**Promoter**	
1.	Mr. D.K. Jain	Executive Chairman
2.	Mr. Anmol Jain	Managing Director
3.	Mr. Deepak Jain	Non-Executive Director
B.	**Non-Promoter**	
4.	Mr. Sanjay Mehta	Non-Executive Director
5.	Mr. Dhiraj Dhar Gupta	Independent Director
6.	Mr. Roop Salotra	Independent Director
7.	Mr. Milap Jain	Independent Director
8.	Ms. Diviya Chanana	Independent Director
9.	Mr. Sandeep Dinodia*	Independent Director

**Ceased to be a Director of the Company w.e.f. May 28, 2018.*

(b) Number of Board Meetings held and Attendance each Directors at Board Meetings last Annual General Meeting (AGM)

The Board of Directors met five (5) times during the Financial Year ended March 31, 2018. The intervening period between two Board Meetings was well within the maximum time gap of 120 days, as prescribed under Listing Regulations. The Attendance Record of Directors in Board Meeting and AGM for the Financial Year 2017-18 are tabulated below:

Sr. No.	Name of the Directors	Details of Meetings held					AGM
		15-05-2017	30-08-2017	04-12-2017	12-02-2018	23-03-2018	18-08-2017
1.	Mr. D.K. Jain	★	★	★	★	★	★
2.	Mr. Anmol Jain	★	★	★	★	●	★
3.	Mr. Deepak Jain	★	★	★	★	●	●
4.	Mr. Sanjay Mehta[1]	☐	☐	☐	★	★	☐
5.	Mrs. Usha Jain[2]	★	★	●	☐	☐	●
6.	Mr. Sandeep Dinodia[3]	★	★	★	★	★	★
7.	Mr. Dhiraj Dhar Gupta	●	★	●	★	★	●
8.	Mr. Roop Salotra	●	★	★	●	★	●
9.	Mr. Milap Jain	★	★	★	★	★	●
10.	Ms. Diviya Chanana[4]	☐	☐	☐	★	★	☐

★ Present ● Absent ☐ Not Applicable

[1] Appointed as an Additional Director designated as Non-Executive Director w.e.f. December 04, 2017 (post Board Meeting dated December 04, 2017).

[2] Ceased to be a Non-Executive Director w.e.f. December 04, 2017.

[3] Ceased to be an Independent Director w.e.f. May 28, 2018.

[4] Appointed as an Additional Director designated as an Independent Director w.e.f. December 04, 2017 (post Board Meeting dated December 04, 2017).

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

i) Minimum four pre-scheduled Board Meetings are held every year. Apart from the above, additional Board Meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

ii) All divisions/departments of the Company are advised to schedule their work plans well in advance, particularly with regard to matters requiring discussion/ approval/decision at the Board Meetings. All such matters are communicated to the Company Secretary in advance so that the same could be included in the Agenda for the Board Meetings.

iii) The Board is given presentations by the Statutory Auditors, Internal Auditors and Chief Financial Officer covering Finance, Sales, major business segments and operations of the Company, all business areas of the Company including business opportunities, business strategy and the Risk Management practices and Internal Audit issues before taking on record the Quarterly / Annual Financial Results of the Company.

iv) The information required to be placed before the Board includes :

- General Notices of Interest of Directors.
- Annual operating plans of business, Capital budgets and any updates.
- Quarterly results for the company and its operating divisions or business segments.
- Dividend Declaration.
- Minutes of Meetings of Audit Committee and other committees of the board, as also resolutions passed by circulation.
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial nonpayment for goods sold by the company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.
- Internal Audit findings and Statutory Auditor Reports (through the Audit Committee).
- Details of any joint venture, acquisition of Companies or collaboration agreement, if any
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant Labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if Material.
- Non-compliance of any regulatory, statutory or listing requirements and Shareholders service such as non-payment of dividend, delay in share transfer (if any) etc.
- Brief on statutory developments, changes in Government policies etc. with impact thereof, Directors' responsibilities arising out of any such developments.

v) The Chairman of the Board and the Company Secretary in consultation with other concerned Members of the Senior Management finalize the agenda papers for the Board Meetings.

(i) Board Agenda

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

(ii) Recording Minutes of proceedings at Board Meetings

The Company Secretary records the Minutes of the proceedings of each Board and Committee Meeting. Draft minutes are circulated to all the Members of the Board / Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from conclusion of the Meeting.

(iii) Post Meeting Follow-up Mechanism

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

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

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

(d) Number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies as on March 31, 2018.

Sr. No.	Name of the Director	No. of Directorships in other Public Companies[1]	No. of Committee positions held in other Public Companies[2]		Relationship Interse
			Chairman	Member	
1.	Mr. D.K. Jain	7	-	-	Related as Father to Mr. Deepak Jain and Mr. Anmol Jain
2.	Mr. Anmol Jain	8	-	1	Related as Son to Mr. D.K Jain and as Brother to Mr. Anmol Jain
3.	Mr. Deepak Jain	7	-	2	Related as Son to Mr. D.K Jain and as Brother to Mr. Deepak Jain
4.	Mr. Sanjay Mehta	2	-	-	Not related to any Director
5.	Mr. Sandeep Dinodia[3]	3	3	2	Not related to any Director
6.	Mr. Dhiraj Dhar Gupta	5	1	2	Not related to any Director
7.	Mr. Roop Salotra	2	-	-	Not related to any Director
8.	Mr. Milap Jain	-	-	-	Not related to any Director
9.	Ms. Diviya Chanana	-	-	-	Not related to any Director

[1] Excludes Directorship in Foreign Companies and Companies Registered under Section 8 of the Companies Act, 2013 and includes directorship of subsidiaries of Public Limited Companies.

[2] As per SEBI Listing Regulations Committee here means "Audit Committee" and "Share Transfer/Stakeholders Relationship Committee" and excludes the committee positions held in Lumax Auto Technologies Ltd.

[3] Ceased to be an Independent Director w.e.f. May 28, 2018.

Director who relinquished office during the year ended March 31, 2018

Sr. No.	Name of the Director	Category of Director
1.	Mrs. Usha Jain	Non – Executive Director

(e) Number of Shares and Convertible instruments held by Non-Executive Directors as on Financial Year ended March 31, 2018

Sr. No.	Name of the Directors	No. of Shares
1.	Mr. Deepak Jain	9,14,652
2.	Mr. Sanjay Mehta	325

(f) Separate Meeting of Independent Director

During the year, a separate Meeting of the Independent Directors of the Company was held on March 15, 2018 to discuss the following matters as prescribed under Schedule IV of Companies Act, 2013 and Regulation 25 of the Listing Regulations:

1. To review the performance of Non-Independent Directors and the Board as whole considering various criteria such as leadership, strategy formulation and execution, financial planning / Performance, Relationship with Boards, External Relations, Human Resources Management/Relations, Product/Service Knowledge, and Personal Qualities etc.

2. To review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

3. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

(g) Familiarization Programme for Independent Directors

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

The Company through its Managing Director/Chief Executive Officer/Senior Managerial Personnel conducts programs/presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company and above all the Industry perspective & issues.

The Independent Directors are provided with all the documents/reports/policies sought by them for enabling a good understanding of the Company, its various operations and the industry of which is a part. The Independent Directors are also provided with regular updates on relevant statutory changes to ensure that they remain up to date on the Compliance framework.

The details of such Familiarisation Programme for Independent Director are uploaded on the website of the Company and the web link of the same is provided here under: http://www.lumaxautotech.com/downloads/familiarisation-program.pdf

3. Committees of the Board

The Board of Directors has constituted following Committees and every Committee has an important role to play within terms of its reference. The Committee Meetings are duly convened and held as considered appropriate from time to time. The process and procedure related to the Board Meetings are also applicable and followed in the Committee Meetings. The Committee Chairperson provides a brief Committee update during the Board Meetings.

A. Audit Committee

i) Brief Description of terms of reference

The Audit Committee has been constituted as per Section 177 of the Companies Act, 2013 and the guidelines set out in the Listing Regulations. 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 Regulation 18 of the Listing Regulations and as specified by the Board of Directors of the Company.

a) Powers of Audit Committee

The 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

b) 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. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:

    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013.

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. Modified opinion(s) in the draft Audit Report.

5. Reviewing, with the Management, the Quarterly Financial Statements before submission to the Board for approval;

6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the Auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the Company with Related Parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluation of Internal Financial Controls and Risk Management Systems;

12. Reviewing with the Management, performance of the Statutory and Internal Auditors, adequacy of Internal Control systems;

13. 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;

14. Discussion with Internal Auditors on any significant findings and follow-up thereon;

15. 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;

16. 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;

17. 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;

18. To Review the functioning of Whistle Blower mechanism, in case the same is existing;

19. 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;

20. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

c) **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 issued by the Statutory Auditors;

4. Internal Audit Reports relating to internal control weakness;

5. The appointment, removal and terms of remuneration of the Chief Internal Auditors shall be subject to review by the Audit Committee.

6. Statement of deviations, if any.

d) Any other matter with the specific permission of the Committee or referred by the Board.

ii) Composition, Name of Members & Chairperson

The Audit Committee comprises of four (4) Non-Executive Independent Directors and Managing Director. The Composition of the Audit Committee during the Financial Year April, 2017 to March, 2018 was as follows:

Sr. 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
4.	Mr. Milap Jain	Member	Non-Executive Independent Director
5.	Mr. Anmol Jain	Member	Managing Director

iii) Meetings and attendance

During the Financial Year 2017-18, five (5) Audit Committee Meetings were held on the following dates:

Sr. No.	Name of the Directors	Details of Meetings held				
		15-05-2017	30-08-2017	06-10-2017	04-12-2017	12-02-2018
1.	Mr. Sandeep Dinodia	★	★	★	★	★
2.	Mr. Roop Salotra	●	★	★	★	●
3.	Mr. Dhiraj Dhar Gupta	●	★	★	●	★
4.	Mr. Milap Jain	★	★	★	★	★
5	Mr. Anmol Jain	★	★	●	★	★

★ *Present* ● *Absent*

The Statutory Auditors, Internal Auditors and Chief Financial Officer are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

iv) Subsidiary Company

Lumax DK Auto Industries Limited (LDK) is a Material Non-Listed Wholly Owned Indian Subsidiary Company in terms of Regulation 24 of Listing Regulations. 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.

The company has formulated a policy for determining 'Material' subsidiaries and such policy has been disclosed on the Company's website www.lumaxautotech.com and the web link of the same is http://www.lumaxautotech.com/downloads/related-party-transaction-policy.pdf

B. Nomination and Remuneration Committee

i) Brief Description of Terms of Reference

The Nomination and Remuneration Committee has been constituted in accordance with the requirements of Statutes and its terms of reference is in compliance with the governing provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Committee consists of Independent 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.

a) Role of Nomination and Remuneration Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

2. Formulation of criteria for evaluation of Independent Directors and the Board;

3. Devising a policy on diversity of Board;

4. Identifying Persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

ii) Composition

As on March 31, 2018 the Nomination and Remuneration Committee comprises of four (4) 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 is a Non-Executive Independent Director nominated by the Board. The composition of the Nomination and Remuneration Committee Meeting during the Financial Year 2017 – 2018 is as under:

Sr. No.	Name of Directors	Status	Category of Membership
1.	Mr. Milap Jain	Chairman	Non-Executive Independent Director
2.	Mr. Sandeep Dinodia	Member	Non-Executive Independent Director
3.	Mr. Roop Salotra	Member	Non-Executive Independent Director
4.	Mr. Dhiraj Dhar Gupta	Member	Non-Executive Independent Director

iii) Meetings and Attendance

The Nomination & Remuneration Committee Meeting held to consider and recommend to the Board was the following matters:

1. Appointment of Ms. Diviya Chanana (DIN: 00737160) as an Additional Director designated as an Independent Director of the Company.

2. Appointment of Mr. Sanjay Mehta (DIN: 06434661) as an Additional Director designated as Non – Executive Director of the Company.

The detail of meeting and attendance of the Nomination & Remuneration Committee Meeting is as under:

Sr. No.	Name of Directors	Detail of Meeting held (04-12-2017)
1	Mr. Milap Jain	★
2	Mr. Sandeep Dinodia	★
3	Mr. Roop Salotra	★
4	Mr. Dhiraj Dhar Gupta	●

★ *Present* ● *Absent*

iv) **Performance Evaluation Criteria for Independent Directors**

The Board is responsible for undertaking a Formal Annual Evaluation of its own performance, its Committees and individual Directors as per the provisions of Companies Act, 2013 and Listing Regulations, with a view to ensure that individual Directors and the Board as a whole work efficiently and effectively in achieving Company's objectives.

During the year, the Board with the assistance of Nomination and Remuneration Committee has completed the evaluation exercise as per the internally designed evaluation process approved by the Board. The Independent Directors were evaluated on various performance indicators including aspects relating to:

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

C. Share Transfer/Stakeholders Relationship Committee

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

i. **Composition:**

The Committee comprises of Executive Director, Non-Executive Director and Non-Executive Independent Directors. Mr. Deepak Jain, Director acting as Chairman of the Share Transfer/ Stakeholders Relationship Committee. The composition of this Committee during the year April 01, 2017 to March 31, 2018 is as under:

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

The functioning and terms of reference of the Committee are as prescribed under the Listing Regulations 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 board has delegated the authority for approving transfers, transmission etc. once in a fortnight to the Chairman /or Company Secretary of the Company. A summary of transfer, transmission of shares of the Company so approved by the Chairman /or Company Secretary is placed at every Share Transfer/ Stakeholder Relationship Committee Meeting. The Company obtains from a Company Secretary in practice half-yearly certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of Listing Regulations and files a copy of the certificate with the Stock Exchanges within the prescribed time.

ii. **Name and Designation of Compliance Officer**

Ms. Swapnal Patane, Company Secretary and Compliance officer acts as Secretary to the said Committee.

iii. **Status of Investor Complaints received, pending and resolved During the Financial Year 2017 - 2018**

Sr. No	Particulars	Status
1	No. of Complaints Received	4
2	No. of Complaints Resolved	4
3	No. Of Complaints Pending	NIL

iv. **Meetings and attendance:**

During the Financial Year 2017-18, four (4) Share Transfer/Stakeholders Relationship Committee Meetings were held and the attendances of the Meetings are as under:

Sr. No.	Name of the Directors	Details of Meetings held			
		15-05-2017	30-08-2017	04-12-2017	12-02-2018
1.	Mr. Deepak Jain	★	★	★	★
2.	Mr. D. K. Jain	★	★	★	★
3.	Mr. Dhiraj Dhar Gupta	●	★	●	★
4	Mr. Sandeep Dinodia	★	★	★	★

★ *Present* ● *Absent*

D. Corporate Social Responsibility Committee (CSR)

The Company has set up a Corporate Social Responsibility (CSR) Committee to oversee discharging of obligations as a part of its Corporate Social Responsibility and as mandated under Section 135 of the Companies Act, 2013 along with relevant rules. The Committee consists of three (3) Directors including two (2) Independent Directors.

Roles and Objectives:

The Roles and Objectives of the Committee as defined by the Board of Directors of the Company, are as under:

i. Formulation of CSR Policy and recommending the same to the Board;

ii. Identification of activities to be undertaken by the Company

iii. Recommendation of amount of expenditure to be incurred on CSR activities;

iv. Monitoring the CSR policy from time to time

i. Composition :

The composition of this Committee during the year April 01, 2017 to March 31, 2018 is as under:

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

ii. Meetings and Attendance:

During the Financial Year 2017-18, Two (2) Corporate Social Responsibility Committee Meetings were held and the attendances of the Meetings are as under:

Sr. No.	Name of the Directors	Details of Meetings held	
		12-05-2017	15-03-2018
1.	Mr. Roop Salotra	★	★
2.	Mr. Dhiraj Dhar Gupta	●	★
4	Mr. D. K. Jain	★	●

★ *Present* ● *Absent*

4. Remuneration Of Directors

The Nomination & Remuneration Committee determines and recommends to the Board of Directors, the remuneration payable to Executive and Non-Executive Directors of the Company:

i. Remuneration paid to Executive Directors for the Financial Year 2017-18: (Amount in Rs Lacs)

Sr. No.	Name of Directors	Designation	Salary	Perquisites & Allowances	Commission	Total
1	Mr. D.K. Jain	Executive Chairman	108.00	14.74	91.65	214.39
2	Mr. Anmol Jain	Managing Director	108.00	10.59	111.00	229.59

ii. Remuneration paid to Non – Executive Directors for the Financial Year 2017 -18: (Amount in Rs Lacs)

Sr. No	Name of Directors	Designation	Commission	Sitting Fees
1	Mr. Deepak Jain	Non – Executive Director	45.97	-
2	Mr. Sanjay Mehta*	Non – Executive Director	-	-
3	Mr. Sandeep Dinodia	Non – Executive Independent Director	-	2.40
4	Mr. Roop Salotra	Non – Executive Independent Director	-	2.00
5	Mr. Dhiraj Dhar Gupta	Non – Executive Independent Director	-	1.60
6	Mr. Milap Jain	Non – Executive Independent Director	-	2.40
7	Mrs. Diviya Chanana*	Non – Executive Independent Director	-	0.60

*Note * : Mr. Sanjay Mehta and Mrs. Diviya Chanana was appointed on the Board of the Company w.e.f 04.12.2017.*

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

Apart from reimbursement of expenses incurred in the discharge of their duties, payment of sitting fees and commission to Non-Executive Directors mentioned above, none of the Non-Executive Directors of your Company have any other material pecuniary relationships with the Company.

iv. Criteria of making payments to Non-Executive Directors:

There has been growing demand for participation and involvement of Non-Executive Directors' in Board and Committee Meetings. In the interest of higher level of excellence in corporate governance, the Non-Executive Directors are paid commission at the rate of 1 percent commission on net profits, every year computed in the manner specified in the Act and as may be decided by the Board.

Apart from sitting fees and commission referred above, no payment by way of bonus, pension, incentives etc. is paid to any of the Non - Executive Directors.

The Company has no stock option plans and hence, such instruments do not form part of remuneration package payable to non-executive directors.

The Criteria of making payments to Non-Executive Directors has been given on the Company's Website i.e. www.lumaxautotech.com.

v. Service Contracts, Notice Periods, Severance Fees

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

vi. Stock Options Details, if any:

No stock options have been granted to any Directors during the Financial Year 2017-18.

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

5. Compliance Officer of the Company

Ms. Swapnal Patane, Company Secretary is the Compliance Officer of the Company. She is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters.

6. General Body Meetings

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

Financial Year	Date	Time	Location
2014 - 15	21-08-2015	3.00 P.M.	Spree Shivai Hotel, Celebrate Hall, 1st Floor, H-Block, A-70, MIDC, Pimpri, Pune - 411 018
2015 - 16	23-08-2016	3.00 P.M.	Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune - 411 018
2016 - 17	18-08-2017	3.00 P.M.	Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune - 411 018

b) Details of Special Resolutions passed in previous three Annual General Meetings (AGM):

I. AGM held on August 21, 2015

- Approval for Related Party Transactions with Lumax Industries Limited pursuant to Clause 49 of the Listing Agreement.

II. AGM held on August 23, 2016

- Increase in the remuneration of Mr. D.K. Jain, Executive Chairman of the Company.
- Increase in the remuneration of Mr. Anmol Jain, Managing Director of the Company.

III. AGM held on August 18, 2017

- No Special Resolution was passed in this AGM.

c) Special Resolution passed last year through Postal Ballot:

There was no Special Resolutions which were passed by way of Postal Ballot during the Financial Year 2017-18.

d) Special Resolutions proposed through Postal Ballot:

The Board in its Meeting held on March 23, 2018 had approved conducting of business by way of Postal Ballot for matters related with Sub-Division of Equity Shares of the Company from Rs 10/- per Equity Share to Rs 2/- per equity share.

Pursuant to Section 110 of the Companies Act, 2013 read with, Rule 22 of the Companies (Management and Administration) Rules, 2014, (Including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and Listing Regulations and pursuant to other applicable laws and regulations, the approval of the Members is sought for:

1. Sub-Division of Equity Shares from the Face Value of Rs 10/- per share to Rs 2/- per share (Ordinary Resolution)
2. Alteration of Clause V i.e. Capital Clause in Memorandum of Association of the Company (Special Resolution)
3. Alteration of Article 4 (a) i.e. Share Capital in Articles of Association of the Company

e) Procedure of Postal Ballot:

The Board of Directors of Company in their Meeting held on March 23, 2018 appointed Mr. Mandar Jog, Practicing Company Secretary as the Scrutinizer for the process of Postal Ballot to be conducted as per the provisions of Section 110 of Companies Act, 2013. The procedure for the Postal ballot was stated in the Notice of Postal Ballot and the same was dispatched on April 02, 2018 (by way of e-mail) and April 05, 2018 (physical mode).

For further details on the above, the Shareholders may visit http://www.lumaxautotech.com/postal-ballot.html

7. Code of Conduct

The Company has adopted a 'Code of Conduct' for its employees at all levels including Senior Management and Directors. The Code has also been posted on the Company's website. The Code serves as a guide to the employees of the Company to make informed and prudent decisions. As required under the Listing Regulations, the affirmation of compliance with the Code from Directors and Senior Management personnel has been obtained for Financial Year 2017-18. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

8. Means of Communication

(a) Financial Results

- The Quarterly/ Half Yearly / Yearly Financial Results of the Company are published in leading and widely circulated English dailies viz. (1) The Financial Express – All Editions (English) (2) Loksatta - Pune-Edition (Marathi).
- The Company's financial results are displayed on the Company's website at www.lumaxautotech.com and the websites of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

(b) Investor Presentations / Press Releases

The presentations made to investors and Press releases of Company are displayed on the Company's website at www.lumaxautotech.com and are disseminated on the Stock exchanges where Company's equity is listed.

(c) Official News Releases/ Conference Calls

The Directors and Senior Management hold quarterly briefs with analysts, Shareholders and major stakeholders, where Company performance is discussed. The official press releases, the presentation made to the Investor and the transcripts of the call with analysts for Quarterly/ Half Yearly /Annual Financial Results are available on the Company's website under 'Investors' section.

(d) Website

The Company's website is a comprehensive reference on it's management, vision, mission, policies, corporate governance, updates and news.

The section on 'Investors' serves to inform the Members by giving complete financial details, annual reports, shareholding patterns, presentation made to investors, Registrar and Share Transfer Agents, etc. The section also includes Material events or information as detailed in Regulation 30 of the Listing Regulations are disclosed to the Stock Exchanges

The Company has also uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website. The Members can log in and find out whether their dividend for any of the years is outstanding.

Information about unclaimed/ unpaid dividends and unclaimed shares to be transferred to IEPF is provided in the notes to the Notice of AGM.

(e) Designated exclusive email-ids: The Company has designated the following email-ids exclusively for investor servicing:

(i) For Investor Grievances and Queries:
shares@lumaxmail.com /
investor@bigshareonline.com

(ii) For queries related to financial statement: ashish.dubey@lumaxmail.com

(f) Stock Exchange

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

BSE Corporate Compliance & Listing Centre (the Listing Centre)

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

NSE Electronic Application System (NEAPS)

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

(g) Reminders/Correspondences with Investors

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

9. Management Discussion and Analysis Report Forms Part of the Directors Report

10. General Shareholders Information

a) Annual General Meeting :

The 37th Annual General Meeting is scheduled as under:

Date	:	August 21, 2018
Day	:	Tuesday
Time	:	3.00 P.M.
Venue	:	Citrus Hotels, Opposite PCMC, Old Mumbai – Pune Highway Road, Pimpri, Pune – 411018, Maharashtra.

b) Date of Book Closure :

August 13, 2018 to August 21, 2018
(Both days inclusive)

c) Registered Office :

Lumax Auto Technologies Limited
Plot No.70, Sector 10, PCNTDA, Bhosari
Industrial Area, Pune – 411026 . Maharashtra

d) Financial Year :

April 01 to March 31

f) For the Financial Year 2017-18 results were announced on:

Adoption of Quarterly Results Ended	Date
June 30, 2017	August 30, 2017
September 30, 2017	December 04, 2017
December 31, 2017	February 12, 2018
March 31, 2018 (Audited Annual Accounts)	May 28, 2018

g) Financial Calendar for 2018-19 (Provisional)

Adoption of Quarterly Results Ended	Tentative calendar#
June 30, 2018	28th July, 2018
September 30, 2018	2nd week of November 2018
December 31, 2018	2nd week of February 2019
March 31, 2019 (Audited Annual Accounts)	4th week of May 2019

 # Within 45/60 days of the end of the Quarter, as per the Listing Regulations.

h) Dividend & Dividend Payment Date

A dividend @100 percent has been declared by the Board of Directors in their Meeting held on 28th May 2018 for the Financial Year 2017-18 which is subject to the approval of the Shareholders at the ensuing Annual General Meeting. The proposed dividend will translate into Dividend @ Rs 2/- (Rupees Two only) per Equity Share of the face value of Rs 2 /- (Rupees Two only) each, after Sub – division of existing One (1) Equity Share of the Face value of Rs 10/- (Rupees Ten only) each of the Company into five (5) Equity Shares of Rs 2 /- each (Rupees Two only).

For Demat Shareholders and Physical Shareholders who have opted for NECS/ ECS, Dividend Amount of Rs 2/- per share will be credited directly to their respective bank accounts through NECS/ ECS, wherever such facilities are available, soon after the declaration of dividend in the AGM. For others, Dividend Warrants/Demand Drafts will be posted on or before September 14, 2018 (tentative).

h) Name and Address of Stock Exchange where Company's Equity are listed:

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

i) ISIN No: INE872H01027*

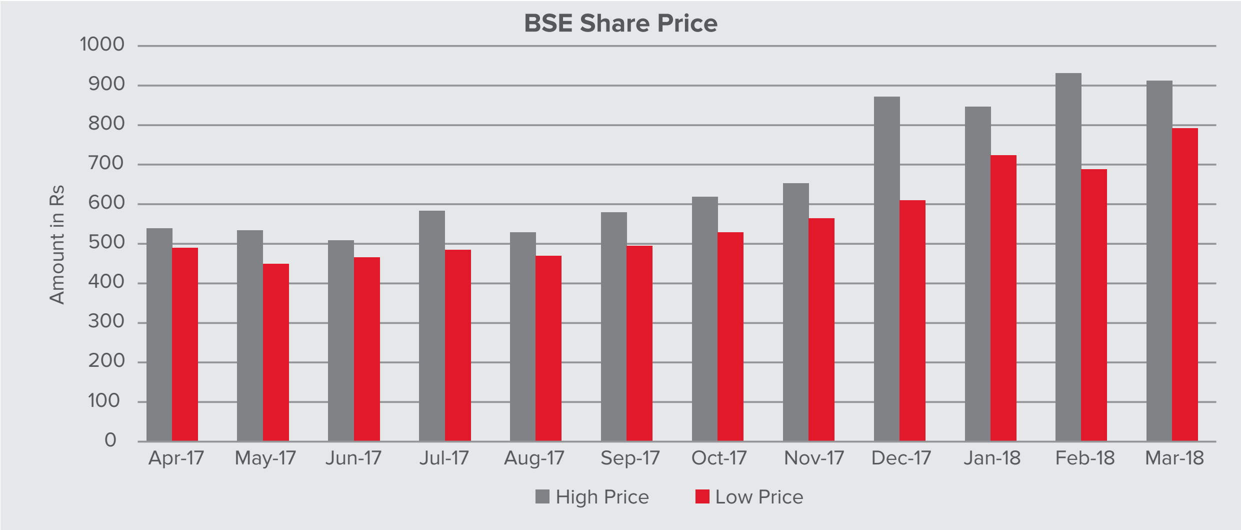
*Pursuant to the Sub-Division of shares of the Company, the ISIN of the Company has been changed from INE872H01019 to INE872H01027 on the Record Date June 08, 2018 set for the purpose.

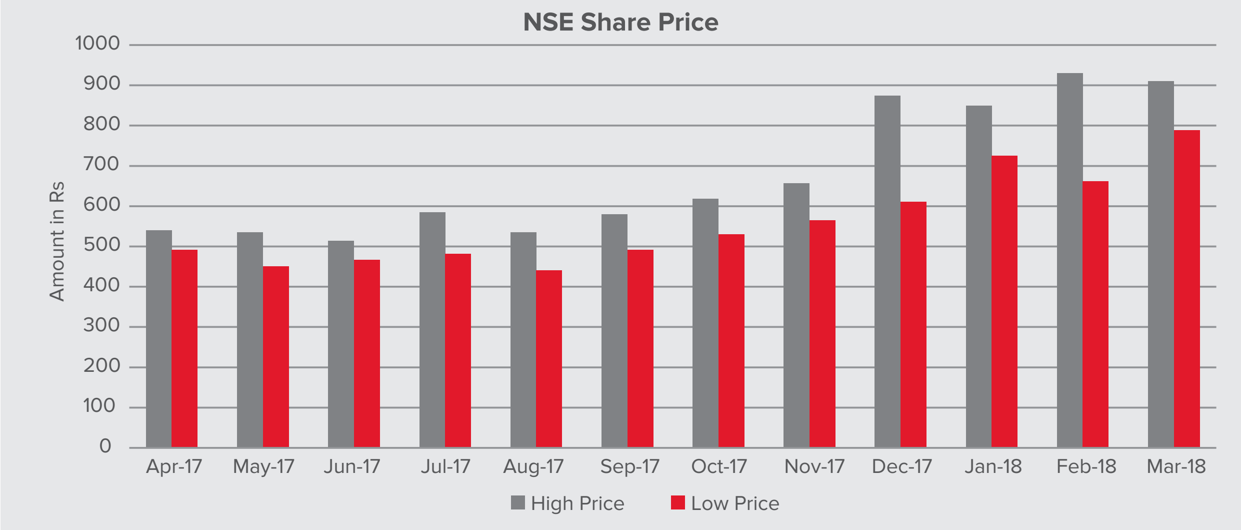
Listing Fee for the year 2018-19 has been paid to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) within applicable time-frame.

j) Stock Market Data during the Financial Year 2017-18

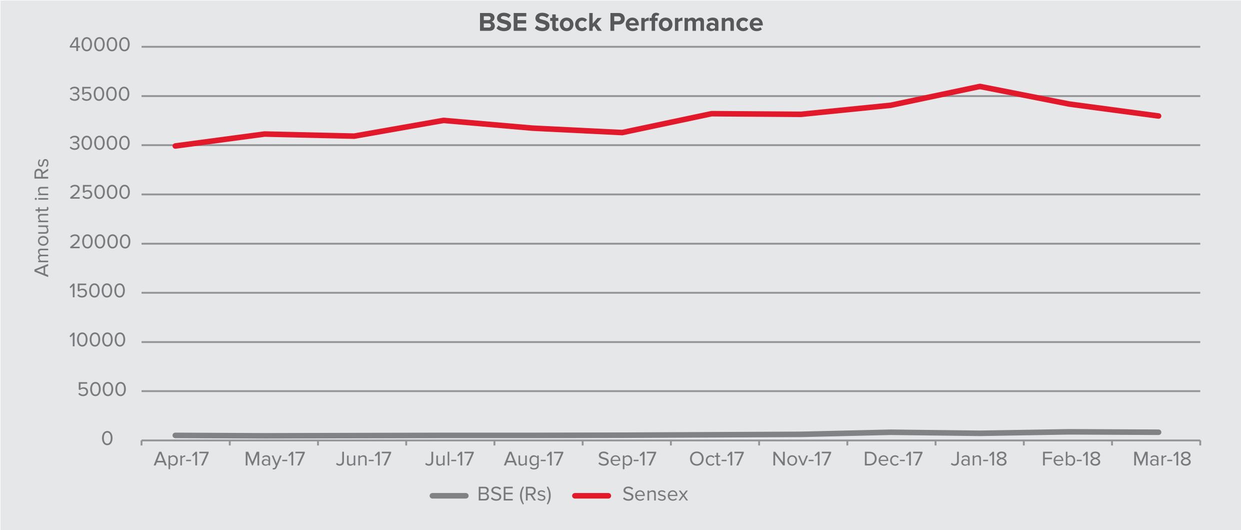
The monthly High and Low Prices of the Shares of the Company Listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

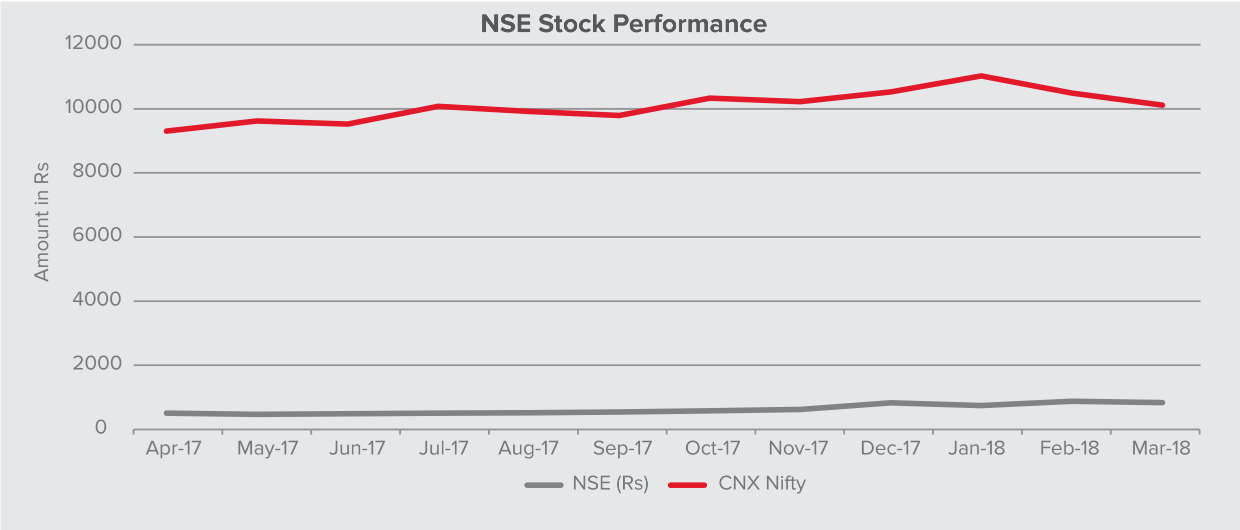
Month	BSE Share Price		NSE Share Price	
	High (Rs)	Low (Rs)	High (Rs)	Low (Rs)
Apr-17	539.75	489.85	540.00	491.10
May-17	534.55	449.40	535.00	450.00
Jun-17	509.00	465.50	513.90	466.60
Jul-17	584.00	485.00	584.60	481.70
Aug-17	530.00	469.35	534.95	440.60
Sep-17	580.00	494.70	579.80	491.05
Oct-17	619.05	530.00	617.90	529.55
Nov-17	653.15	565.00	657.00	565.00
Dec-17	872.00	610.00	874.00	610.15
Jan-18	847.00	723.95	849.40	725.00
Feb-18	931.85	689.00	930.00	662.00
Mar-18	912.00	792.00	910.00	789.05





k) **The details of the Stock Performance vis – a – vis S&P CNX Nifty in graphical manner and Monthly Closing Share Price on NSE & BSE from April 2017 to March 2018 is given below:**





l) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:

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

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

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

n) Share Transfer System

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent. The Company has appointed M/s Bigshare Services Private Limited as the Registrar & Share Transfer Agent. The Share transfers in physical form are approved by the Chairman and Company Secretary on fortnightly basis and the same were approved and ratified by the Share Transfer/ Stakeholder Relationship Committee.

There were no shares transferred/transmitted during the Financial Year 2017-18.

o) Distribution of Shareholding as on March 31, 2018

Range of Shares	No. of Shareholders	Percent of Shareholders	Amount (Rs)	Percent of Shareholding
1 - 5,000	7,486	90.52	70,99,880	5.21
5,001 - 10,000	356	4.30	27,53,800	2.02
10,001 - 20,000	200	2.42	30,18,750	2.21
20,001 - 30,000	70	0.85	17,94,910	1.32
30,001 - 40,000	34	0.41	12,16,130	0.89
40,001 - 50,000	36	0.44	16,99,840	1.25
50,001 - 1,00,000	35	0.42	25,40,850	1.86
1,00,001 - & above	53	0.64	11,61,91,250	85.24
Total	**8,270**	**100.00**	**13,63,15,410**	**100.00**

p) Dematerialization 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). The Company's shares are liquid and are actively traded on Stock Exchanges.

Status of Dematerialization and Liquidity as on March 31, 2018

Dematerialization:

Category	No. of Shares
Shares in Demat mode with NSDL	1,21,55,189
Shares in Demat mode with CDSL	14,02,139
Shares in Physical mode	74,213
Total	1,36,31,541

Liquidity:

The Numbers of Shares of the Company traded in the Stock Exchange for the financial year 2017-2018 is given below:

Particulars	BSE	NSE	Total
No of shares Traded	12,25,124	60,46,328	72,71,452
Percent of total Equity	8.99	44.36	53.35

q) 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.

r) Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuations of raw material, which are proactively managed by forward booking of materials, inventory management and vendor development practices.

In case of foreign exchange risk, there is natural hedging of risk as our import and export generally remains at the same level.

s) Plant Locations of the Company as on March 31, 2018

The Company has following manufacturing units:

Sr. No.	Plant Locations
1.	Plot No. 70, Sector-10, PCNTDA, Bhosari, Pune, Maharashtra (Regd. Office)
2.	W-230-E, 'S' Block, M.I.D.C. Bhosari, Pune, Maharashtra
3.	Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra
4.	K- 76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
5.	Plot No. 91-b, Sector-5, IMT Manesar, Gurugram, Haryana
6.	Sy. No. 334, 366 & 367, Bellur Village, NarsapuraHobli, Kolar, Bangalore, Karnataka
7.	Plot No. 9, 10, 23-25, Gut No. 53, Sahajapur, Aurangabad, Maharashtra
Marketing Division	
8.	Plot No. 2, Industrial Estate, Udyog Vihar, Phase IV, Gurugram, Haryana

t) Address for Investors Correspondence

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

Address	:	Lumax Auto Technologies Limited Plot No. 70, Sector-10, PCNTDA, Bhosari, Industrial Area, Pune 411026, Maharashtra
Tel	:	91-20-66304605, 66304606
Fax	:	91-20-66304624
E-mail	:	shares@lumaxmail.com
Website	:	www.lumaxautotech.com

u) **Shareholding Pattern of the Company as on March 31, 2018**

Category		No. of shares held	Percentage of shareholding
A.	**Promoters' holding**		
1.	**Promoters**		
	i Indian Promoters	75,84,886	55.64
	ii Foreign Promoters	-	-
2.	**Persons acting in concert**	**-**	**-**
	SUB – TOTAL (A)	**75,84,886**	**55.64**
B.	**Non-Promoters Holding**		
3.	**Institutional Investors**		
	i Mutual Funds	4,76,816	3.50
	ii Banks, Financial Institutions, Insurance Companies, Central/ State Govt. Institutions/ Non-Government Institutions.	9,358	0.07
	iii FIIs / FPIs	23,37,990	17.15
	iv Alternate Investment Funds	1,67,303	1.23
	SUB – TOTAL (B3)	**29,91,467**	**21.95**
4.	**Others:-**		
	i Bodies Corporate & Clearing Member	5,46,698	4.01
	ii Indian Public	23,18,352	17.01
	iii NRIs	1,88,737	1.38
	iv NBFCs registered with RBI	200	0.00
	v IEPF	1,201	0.00
	SUB – TOTAL(B4)	**30,55,188**	**22.40**
	SUB – TOTAL(B) [B3 + B4]	**60,46,655**	**44.36**
	GRAND TOTAL (A+B)	**1,36,31,541**	**100.00**

v) **Unclaimed/Unpaid Dividends and Shares:**

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

The Company had sent notices to all Shareholders whose shares were due to be transferred to IEPF and the newspaper advertisement with respect to same was also published. During the Financial Year 2017-18 Rs 120,147/- of unpaid/ unclaimed dividends and 1,201 shares were transferred to the IEPF Authority.

Further, the Unclaimed Dividend for the financial year 2010-2011 shall become transferable to the Investor Education & Protection Fund by September, 2018. The Company has been writing periodical reminders to all the Shareholders as a part of sending Notice of the Annual General Meeting, who's Dividends are lying unpaid in the Unpaid Dividend Account. Details of shares/ Shareholders in respect of which dividend has not been claimed, are provided on the website. The Shareholders are requested to verify their records and claim their unclaimed dividends for the past years, if not claimed.

11. Unclaimed Suspense Account

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

Sr. No.	Description	No. of Shareholders	No of Shares
1.	Aggregate number of Shareholders and outstanding shares at the beginning of the year i.e. as on April 01, 2017	3	722
2.	Number of Shareholders who approached for issue/transfer of Shares during the year 2017-18	-	-
3.	Number of Shareholders to whom shares were issued/transferred	-	-
4.	Transfer to IEPF	3	722
5.	Aggregate number of Shareholders and the Outstanding shares lying at the end of the year i.e. March 31, 2018	-	-

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

12. Other Disclosures

a. Related party Disclosure

All transaction entered into by the Company with Related Parties during the Financial Year 2017-18 are in ordinary course of business and on arm's length basis.

The Company had not entered any materially significant Related Party Transactions i.e. transaction of the Company of material nature with its Promoters/ Director/Senior Employees or relatives etc., which could have a potential conflict with the interest of Company at large.

Details on material related party transactions have been disclosed in the an **Annexure D** of Directors Report.

The Audit Committee reviews at least on a quarterly basis, the details of related party transactions entered into by the Company.

The policy on Related Party Transactions has been placed and can be accessed on the Company's website http://www.lumaxautotech.com/downloads/related-party-transaction-policy.pdf.

b. The details of Compliances by the Company:

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the regulations and guidelines of SEBI.

Hence,there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any other statutory authorities for non-compliance of any matter related to the capital markets during the last three years.

c. Whistle Blower policy /Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:

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

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

d. Mandatory Requirements

The Company is complying with mandatory requirements and partly complying with the Non-Mandatory requirements.

e. Non-Mandatory Requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relatingto Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27 (1) read with Part E of Schedule II of the Listing Regulations is as under:

a. During the year under review, there is no auditqualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

b. The position of the Chairman and the Managing Director remained separate.

c. The Internal Auditors have direct access to the Audit Committee and separate meeting of Audit Committee are held wherein Internal Auditors presents their Audit Observations to the Audit Committee of Board of Directors.

13. Non-compliance of any requirement of Corporate Governance Report of sub paras (2) to (10) above, with reasons thereof shall be disclosed:

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

14. Disclosures of the compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46:

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

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

15. Other Useful Information

a. Nomination Facility

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

b. Updation of Shareholders Information

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

c. Mandatory Requirement of PAN

SEBI vide its circular dated April 20, 2018 has mandated compulsory registration of PAN and Bank Account for all Shareholders in following cases:

- Transferees and Transferors PAN Cards for transfer of shares
- Transfer of shares to Legal Heirs/ Nominees
- For Dematerialization of shares
- Issuance of Duplicate Share certificates

d. Shareholders are requested to keep record of their specimen Signature before lodgment of shares with the Company to obviate possibility of differences in signature at a later date.

16. 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 2017– 2018.

Place: New Delhi
Date: May 28, 2018

(Anmol Jain)
Managing Director

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17. CEO & CFO Certificate

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations. The Managing Director and Chief Financial Officer also give quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Managing Director and the Chief Financial Officer is given:

CEO and CFO Certificate under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

a. We certify to the Board that we have reviewed Financial Statements and Cash Flow Statement for the year ended March 31, 2018 and that to the best of our knowledge and belief;

   (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.

d. We have indicated to the Auditors and the Audit Committee

   (i) Significant changes in internal control over financial reporting during the year, if any;

   (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and

   (iii) There were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi
Date: May 28, 2018

(Ashish Dubey)
Chief Financial Officer

(Anmol Jain)
Managing Director

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

To the Members of
Lumax Auto Technologies Limited
Plot No. 70, Sector 10, PCNTDA,
Bhosari Industrial Area, Pune – 411026, Maharashtra.

1. The accompanying Corporate Governance Report prepared by Lumax Auto Technologies Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the Auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

   i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors w.r.t Executive and Non-Executive Directorshas been met throughout the reporting period;

   iii. Obtained and read the Directors Register as on March 31, 2018 and verified that atleast one Women Directorwas on the Board during the year;

   iv. Obtained and read the minutes of the following Meetings held April 01, 2017 to March 31, 2018:

      (a) Board of Directors Meeting;

      (b) Audit committee;

      (c) Annual General meeting;

      (d) Nomination and Remuneration Committee;

      (e) Stakeholders Relationship Committee;

      (f) Independent Directors Meeting; and

      (g) Corporate Social Responsibility Committee

v. Obtained necessary representations and declarations from Directors of the Company including the Independent Directors ; and

vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate GovernanceReport on a test basis. Further, our scope of work under this report did not involve us performing audit tests for thepurposes of expressing an opinion on the fairness or accuracy of any of the financial information or the Financial Statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2018, referred to in paragraph 1 above.

Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the Statutory Auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S.R. Batliboi& Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Vikas Mehra
Partner
Membership Number: 94421

Place: New Delhi
Date: May 28, 2018

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

Annexure C

The Nomination and Remuneration Committee fixes the remuneration of the Executive Directors after considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, financial position of the Company, etc. The remuneration structure comprises 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 Extract of the Remuneration and Evaluation of the Performance of the Board of Directors Policy is given below:

Purpose

The Board of Directors believes that an equitable remuneration to the Executive Management helps ensure that the Company can attract and retain key employees. Efforts are made to ensure that the remuneration of the Board of Directors, Key Managerial Personnel and other employees matches the level in comparable Companies, whilst also taking into consideration Board Members required competencies, effort and the scope of the board work, including the number of Meetings.

The policy shall ensure that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, 2015 provides that the Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.

This policy on remuneration of Directors and Key Managerial Personnel has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

Objective

The objective of this policy is to lay down a framework in relation to remuneration of Directors, KMP and other employees.

Definition

"Board" means Board of Directors of the Company.

"Key Managerial Personnel" means

i. Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;

ii. Chief Financial Officer;

iii. Company Secretary

Applicability & Accountability

This Policy is applicable to:

a) Directors viz. Executive and Non-Executive and Independent

b) Key Managerial Personnel

c) Other Employees of the Company

Committee's Responsibility

The key responsibilities of the Committee would be as follows:

- To guide the Board in relation to appointment and removal of Directors and Key Managerial Personnel.
- To evaluate the performance of the Members of the Board and provide necessary report to the Board in this regard.
- To determine the remuneration of Directors and Key Managerial Personnel in such a manner that involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- To recommend to the Board on Remuneration payable to the Directors and Key Managerial Personnel.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee.

Frequency of Meetings

The Meetings of the Committee shall be held at such regular intervals as may be required.

Matters Relating to Appointment of Director and Key Managerial Personnel

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director and Key Managerial Personnel and recommend to the Board his / her appointment. While recommending any person for appointment as Director, Committee shall keep in view the issue with respect to Board diversity.

b) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The Committee shall ensure that any appointment of a person as an Independent Director of the Company shall be made in accordance with the provisions of Section 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors, 2015) Rules, 2014 and Regulation 17 of the Listing Regulations.

Matters relating to the Remuneration for the Directors and Key Managerial Personnel

(a) The Committee shall determine remuneration structure for Directors and Key Managerial Personnel taking into account factors it deems relevant, including but not limited to market scenario, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and Government/other guidelines.

(b) The remuneration / commission etc. to the Managing Director, Whole-Time Director and Key Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / commission etc. shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.

(c) If in any Financial Year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Executive/Whole-Time Director(s) in accordance with the provisions of Schedule V of The Companies Act, 2013 and if the remuneration paid is not in compliance with such provisions, the same shall be subject to the previous approval of the Central Government.

(d) Increments to the existing remuneration structure may be recommended by the Committee to the Board, which shall be within the overall limits of remuneration as prescribed under The Companies Act, 2013.

(e) Where any insurance is taken by the Company on behalf of its Managing Director/ Executive/Whole-Time Director, Key Managerial Personnel and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. However, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to other employees of the Company

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

Term / Tenure

a) Managing Director/Whole-Time Director:

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

b) Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Shareholders of the Company.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

The Terms and Conditions of appointment of Independent Directors is uploaded on the website of the Company and the web link of the same is provided here under:

http://www.lumaxautotech.com/downloads/letter-of-appointment.pdf

FORM AOC – 2

Annexure D

Form for Disclosure of Particulars of Contracts/Arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto
[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of Contracts or Arrangements or Transactions not at Arm's Length Basis:

a.	Name(s) of the related party and nature of relationship	NA
b.	Nature of contracts/arrangements/transactions	
c.	Duration of the contracts/arrangements/transactions	
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	
e.	Justification for entering into such contracts or arrangements or transactions	
f.	Date(s) of approval by the Board	
g.	Amount paid as advances, if any	
h.	Date on which the requisite resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

2. Details of Material Contracts or Arrangement or Transactions at Arm's Length Basis:

Sr. No.	Particulars	Material Transaction
a.	Name(s) of the related party and nature of relationship	**Lumax Industries Limited**
b.	Nature of contracts/arrangements/transactions	**Purchase / Sale of Goods**
c.	Duration of the contracts/arrangements/transactions	**April 01, 2017 to March 31, 2018**
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	**Rs. 20,831 Lacs**
e.	Date(s) of approval by the Board, if any	**May 28, 2018**
f.	Amount paid as advances, if any	**Nil**

All Related Party Transactions are in the ordinary course of business and on arm's length basis which are approved by Audit Committee of the Company.

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

D. K. JAIN
Chairman
DIN: 00085848

Place: New Delhi
Date: May 28, 2018

Annexure E

Statement of Disclosure of Remuneration pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of the Remuneration of each Executive Director to the Median Remuneration of the Employees of the Company for the Financial Year 2017-18, the percentage increase in Remuneration of Managing Directors, other Executive Directors, Chief Financial Officer and Company Secretary during the Financial Year 2017-18.

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median Remuneration of all employees	% increase in Remuneration during the Financial Year 2017-18
1.	Mr. D.K. Jain	Executive Chairman	61.82	88.81
2.	Mr. Anmol Jain	Managing Director	66.20	90.82
3.	Mr. Ashish Dubey	Chief Financial Officer	--	33.32
4.	Mrs. Swapnal Patane	Company Secretary	--	14.00

B. The percentage increase in the median remuneration of Employees for the Financial Year 2017-18 was 7.69%.

C. The number of Permanent Employees on the rolls of the Company as on March 31, 2018 was 720.

D. The Average Percentage increase in the salaries of the employees other than the Key Managerial Personnel for the Financial Year was 14.12% whereas the increase in the Managerial remuneration was 89.84%. The remuneration components in case of Executive Chairman and Managing Director include Commission paid which is linked with the profitability of the Company.

E. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

We affirm that the Remuneration paid to the Employees and Directors is as per the Remuneration Policy of the Company.

FORM NO. MR-3

Annexure F

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Lumax Auto Technologies Limited
Pune

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **LUMAX AUTO TECHNOLOGIES LIMITED** (CIN: L31909MH1981PLC025519) (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Management's Responsibility for Secretarial Compliances

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

Auditors Responsibility

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

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

Based on my verification of the LUMAX AUTO TECHNOLOGIES LIMITED books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009–**Not applicable** as there is no issue of fresh security during the year;

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – **Not applicable** as the Company has not granted any Employee Stock Option;

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not applicable** as the Company has not issued any debt securities;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – **Not applicable**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not applicable** as the Company has not delisted its shares from any Stock Exchange;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not applicable** as the Company has not bought back its securities.

(vi) On the basis of the information provided by the Company and our verification of Pune Plants i.e Chakan, Bhosari & PCNTDA of the company, following laws are compiled by the Company:

A) Labour Laws:

1. The Factories Act, 1948 and The Maharashtra Factories Rules, 1963
2. The Minimum Wages Act, 1948
3. The Contract Labour(Regulation and Abolition) Act, 1970
4. The Employees Provident Fund and Miscellaneous Provisions Act, 1956 and the schemes made thereunder-maintained electronically
5. The Payment of Bonus Act, 1965
6. The Payment of Gratuity Act, 1972

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at Board Meeting were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no event has occurred during the year which has a major bearing on the Company's affairs.

I. U. Thakur
Practicing Company Secretary
FCS: 2298 C.P. No: 1402

Place: Pune
Date: May 28, 2018

Annexure to Secretarial Audit Report

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

1. Maintenance of various statutory registers and documents and making necessary entries therein;
2. Contracts, Common Seal and Registered Office and publication of name of the Company;
3. Forms, returns, documents and resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or such other authorities;
4. Service of documents by the Company on its Members, Directors, Stock Exchanges, Auditors and Registrar of Companies;
5. Constitution of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Share Transfer/ Stakeholder Relationship Committee and Corporate Social Responsibility Committee;
6. Appointment, re-appointment and retirement of Directors including Managing Director and Executive Directors and payment of remuneration to them;
7. Disclosure of interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interest in other entities by Directors;
8. Disclosure requirements in respect to their eligibility for appointment, declaration, of their independence, compliance with code of conduct for Directors and Senior Management Personnel;
9. Established a policy on related party transactions. All the transaction with related parties were in the ordinary course of the business and at arm's length and were placed before the Audit Committee periodically;
10. Established a vigil mechanism and providing to complainants, if any, unhindered access to the Chairman of the Audit Committee;
11. Constituted the Corporate Social Responsibility Committee formulating and adopting corporate social responsibility policy indicating the activities to be undertaken by the Company;
12. Appointment of Persons as Key Managerial Personnel;
13. Appointment and remuneration of Statutory Auditor and Cost Auditor;
14. Appointment of Internal Auditor;
15. Notice of meetings of the Board and Committee thereof;
16. Minutes of meetings of the Board and Committees thereof including passing of resolutions by circulations;
17. Notice convening Annual General Meeting held on August 18, 2017;
18. Minutes of General Meeting;
19. Approval of members, Board of Directors, Committee of Directors and Government Authorities wherever required;
20. Form of balance sheet as at March, 31 2017 as prescribed under Part I of Schedule VI to the Companies Act 2013;
21. Report of the Board of Directors for the Financial Year Ended March 31, 2017;
22. Borrowings and registrations of charges.

I. U. Thakur
Practicing Company Secretary
FCS: 2298
C.P. No: 1402

Place: Pune
Date: May 28, 2018

Annual Report on Corporate Social Responsibility

Annexure G

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company through its CSR initiatives is committed to enhance the social and economic development of communities and geographical areas, particularly in the vicinity of the plants location.

CSR activities of Lumax Auto Technologies Limited are carried out through, Lumax Charitable Foundation.

The Lumax Charitable Foundation, the CSR wing of Lumax, has been facilitating social initiatives over the years focusing on Health, Education, Girl child empowerment, and life enrichment programmes. The Vision of the Foundation focusses on its endeavor to transform lives of children, youth and the elderly to have a better future and eternal hope.

The mission translates to - Provide education, life skills and health in communities around our plant locations for a better and healthy life. Some of the major highlights over the years are:

- Conducted Cataract surgeries providing vision
- Transforming youth through Career Counselling
- Working towards a 'Cancer MuktDilli' jointly with The Indian Cancer Society in NCR

At a fundamental level, Lumax believes it is important to provide education to ensure that people have the baseline skills – literacy, numeracy - to survive in the world. Education also gives them the ability to communicate, complete tasks and work along with others. It is a powerful tool that empower individuals who in turn build better communities.

Lumax Charitable Foundation has been working with schools in Haryana, Maharashtra and Karnataka catering to the needs of the low-income groups and communities. The foundation has envisioned to upgrade and improve the quality of Education and Infrastructure at schools so as to provide holistic education. Infrastructure support through constructing classrooms, providing DG sets for uninterrupted power supply, water sanitation facilities, providing Smart classes & e-learning opportunities, giving science education a thrust through setting-up Science labs and Computer labs.

In order to further strengthen the education programmes, the foundation has undertaken capacity building for the teachers on teaching methodologies, providing learning aids, school starter kits, material for co-scholastic activities, exposure /excursion trips, facilitating the educational requirements of the children in these schools is an integral part of the foundations scope.

In the area of health, the foundation has several programmes namely, Cataract surgeries, addressing Juvenile Diabetes, health check-up at schools. In continuation with its endeavor to provide good health to the underprivileged, vision and eyesight was the direct extension of its business, therefore the foundation decided to partner with I-Care to help improve the vision of the underprivileged in rural areas who are affected by Cataract. Further, the foundation organizes Health check-up for the children in schools where the foundation is also engaged to thus creating awareness and medical support. The Foundation supports treatment and guides patients of Juvenile Diabetes how to deal with it.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is http://www.lumaxautotech.com/downloads/CSR-policy.pdf.

2. The Composition of the CSR Committee.

Sr. No.	Name	Category	Designation
1	Mr. Roop Salotra	Independent Director	Chairman
2	Mr. D.D. Gupta	Independent Director	Member
3	Mr. D.K. Jain	Executive Chairman	Member

3. Average net profit of the Company for last three financial years: Rs 2,033 Lacs

4. Prescribed CSR Expenditure (Two per cent of the amount as in item 3 above): Rs 40.67 Lacs

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year: Rs 40.78 Lacs

(b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below:

(Amount in Rs. Lacs)

Sr. No	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs 1. Local area or Other 2. Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: 1. Direct expenditure on projects or programs. 2. Overheads	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Education and Healthcare for underprivileged	a) Education b) Health c) Overheads	Manufacturing sites of the Company 1. Gurugram, Manesar, Haryana 2. Maharashtra 3. Bengaluru, Karnataka	a) 14.02 b) 23.58 c) 3.07	a) 13.02 b) 24.38 c) 3.38	150.20	Spent through the CSR arm of the Company namely Lumax Charitable Foundation and implementing agencies managed by Lumax Charitable Foundation.
	Total			**40.67**	**40.78**	**150.20**	

6. The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in Compliance with the CSR objectives and Policy of the Company.

Anmol Jain
Managing Director

Roop Salotra
Chairman-CSR Committee

FORM NO. MGT-9

Annexure H

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014}

I. Registration and Other Details:

i)	**CIN**	L31909MH1981PLC025519
ii)	**Registration Date**	October 30, 1981
iii)	**Name of the Company**	Lumax Auto Technologies Limited
iv)	**Category/sub-category of the Company**	Public Listed Company having Share Capital
v)	**Address of the Registered office and contact details**	Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune- 411026 : Maharastra Ph : + 91 20 6630 4617
vi)	**Whether listed company**	Yes
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	M/s Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (E), Mumbai- 400072 E-mail id : info@bigshareonline.com Ph : + 91 22 6263 8200

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of Main Products & Services	NIC Code of the Product/Service	Percent to total turnover of the Company
1	Automotive Lamps	2740	66.02
2	Plastic Moulded Parts	22207	20.97
3	Frame Chassis	29103	13.01

*As per National Industrial Classification List 2008- Ministry of Statistics and Programme implementation

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN/GLN	Subsidiary/ Associate	Percent of shares held	Applicable Section
1	Lumax DK Auto Industries Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U34300DL1997PLC087110	Subsidiary	100%	2(87)
2	Lumax Integrated Ventures Private Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U74899DL1991PTC044328	Subsidiary	100%	2(87)
3	Lumax Management Services Private Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U74140DL2015PTC275088	Subsidiary	100%	2(87)
4	Lumax Mannoh Allied Technologies Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U35912DL2013PLC255694	Subsidiary	55%	2(87)
5	Lumax Cornaglia Auto Technologies Private Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U31908DL2007PTC164757	Subsidiary	50%	2(87)
6	Lumax Energy Solutions Private Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U31401DL2003PTC122446	Step-down Subsidiary	100%	2(87)

Sr. No.	Name and Address of the Company	CIN/GLN	Subsidiary/ Associate	Percent of shares held	Applicable Section
7	Velomax Mobility Private Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U74999DL2016PTC305208	Step-down Subsidiary	100%	2(87)
8	Lumax Gill-Austem Auto Technologies Private Limited 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U35999DL2013PTC261221	Associate	50%	2(6)
9	Lumax Sipal Engineering Private Limited * 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, New Delhi-110046	U74900DL2016PTC290469	Associate	51%	2(6)

Note* - During the year under review, the Company has ceded the management control of its step down Subsidiary Company i.e Lumax Sipal Engineering Private Limited in favour of the Joint Venture partner, Sipal S.p.A, Italy. Thus this Company ceased to be Subsidiary and became an Associate of the Company.

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	Number of shares held at the beginning of the year (As on April 01, 2017)				Number of shares held at the end of the year (As on March 31, 2018)				Percent Change during the year
	Demat	Physical	Total	Percent of Total Shares	Demat	Physical	Total	Percent of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/ Hindu Undivided Family	51,62,622	0	51,62,622	37.87	51,62,622	0	51,62,622	37.87	Nil
b) Central Government/ State Government(s)	0	0	0	0	0	0	0	0	Nil
c) Bodies Corporate	24,22,264	0	24,22,264	17.77	24,22,264	0	24,22,264	17.77	Nil
d) Financial Institutions/ Banks	0	0	0	0	0	0	0	0	Nil
e) Any Others(Specify)	0	0	0	0	0	0	0	0	Nil
Sub-Total (A) (1)	**75,84,886**	**0**	**75,84,886**	**55.64**	**75,84,886**	**0**	**75,84,886**	**55.64**	**Nil**
(2) Foreign									
a) Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	Nil
b) Bodies Corporate	0	0	0	0	0	0	0	0	Nil
c) Institutions	0	0	0	0	0	0	0	0	Nil
d) Qualified Foreign Investor	0	0	0	0	0	0	0	0	Nil
e) Any Others(Specify)	0	0	0	0	0	0	0	0	Nil
Sub-total (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**Nil**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**75,84,886**	**0**	**75,84,886**	**55.64**	**75,84,886**	**0**	**75,84,886**	**55.64**	**Nil**
B. Public shareholding									
1. Institutions									
a) Mutual Funds	4,26,284	0	4,26,284	3.13	4,76,816	0	4,76,816	3.50	0.37
b) Financial Institutions / Banks	6,861	0	6,861	0.05	9,358	0	9,358	0.07	0.02
c) Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) Foreign Institutional Investors	1,12,793	0	1,12,793	0.83	0	0	0	0	(0.83)

Category of Shareholders	Number of shares held at the beginning of the year (As on April 01, 2017)				Number of shares held at the end of the year (As on March 31, 2018)				Percent Change during the year
	Demat	Physical	Total	Percent of Total Shares	Demat	Physical	Total	Percent of Total Shares	
g) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
h) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
i) Alternate Investment Funds	0	0	0	0	1,67,303	0	1,67,303	1.23	1.23
j) Any Other - Foreign Portfolio Investor	21,03,661	0	21,03,661	15.43	23,37,990	0	23,37,990	17.15	1.72
Sub-Total (B)(1)	**26,49,599**	**0**	**26,49,599**	**19.44**	**29,91,467**	**0**	**29,91,467**	**21.95**	**2.51**
2. Non-Institutions									
a) Bodies Corporate	4,23,078	0	4,23,078	3.10	5,39,357	0	5,39,357	3.96	0.85
b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs 2 Lacs	20,96,468	3	20,96,471	15.38	18,86,800	3	18,86,803	13.84	(1.54)
ii) Individual Shareholders holding nominal share capital in excess of Rs 2 Lacs	6,32,146	0	6,32,146	4.64	4,31,549	0	4,31,549	3.17	(1.47)
c) Any Other (specify)									
Clearing Member	32,471	0	32,471	0.24	7,341	0	7,341	0.05	(0.18)
NRI	1,36,180	74,210	2,10,390	1.54	1,14,527	74,210	1,88,737	1.38	(0.16)
Trusts	2,500	0	2,500	0.02	0	0	0	0	(0.02)
NBFCs registered with RBI	0	0	0	0	200	0	200	0	0.00
Investor Education and Protection Fund (IEPF) Authority *	0	0	0	0	1,201	0	1,201	0.01	0.01
Sub-Total (B)(2)	**33,22,843**	**74,213**	**33,97,056**	**24.92**	**29,80,975**	**74,213**	**30,55,188**	**22.41**	**(2.51)**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**59,72,442**	**74,213**	**60,46,655**	**44.36**	**59,72,442**	**74,213**	**60,46,655**	**44.36**	**0.00**
C. Shares held by Custodians for ADR & GDR	0	0	0	0	0	0	0	0	0
Sub-Total (C)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A)+(B)+(C)	**1,35,57,328**	**74,213**	**1,36,31,541**	**100**	**1,35,57,328**	**74,213**	**1,36,31,541**	**100**	**0**

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

(ii) Shareholding of Promoters

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year (As on April 01, 2017)			Shareholding at the end of the year (As on March 31, 2018)			Percent of change in Share-holding during the year
		No. of shares	Percent of total shares of the Company	Percent of shares Pledged/ Encumbered to total shares	No. of shares	Percent of total shares of the Company	Percent of shares Pledged/ Encumbered to total shares	
1	Lumax Finance Private Limited	24,22,264	17.77	0	24,22,264	17.77	0	0
2	Mr. Dhanesh Kumar Jain	16,55,257	12.14	0	16,55,257	12.14	0	0
3	Dhanesh Kumar Jain (HUF)	11,80,971	8.66	0	11,80,971	8.66	0	0
4	Mr. Deepak Jain	9,14,652	6.71	0	9,14,652	6.71	0	0
5	Mr. Anmol Jain	8,62,240	6.33	0	8,62,240	6.33	0	0
6	Mrs. Usha Jain	4,63,712	3.40	0	4,63,712	3.40	0	0
7	Mrs. Shivani Jain	45,000	0.33	0	45,000	0.33	0	0
8	Dhanesh Kumar Jain (Family Trust)	40,790	0.30	0	40,790	0.30	0	0
	Total	**75,84,886**	**55.64**	**0**	**75,84,886**	**55.64**	**0.00**	**0**

iii) Change in Promoters Shareholding: There is no changes in Promoter's shareholding between April 01, 2017 to March 31, 2018.

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year (As on April 01, 2017)		Cumulative Shareholding during the Financial Year 2017-18	
		No. of shares	Percent of total share capital of the Company	No. of Shares	Percent of total share Capital of the Company
1.	**Albula Investment Fund Ltd**				
	At the beginning of the year	**12,31,627**	**9.04**		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			**12,31,627**	**9.04**
2.	**Asia Investment Corporation (Mauritius) Ltd**				
	At the beginning of the year	**6,50,000**	**4.77**		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			**6,50,000**	**4.77**
3.	**DSP Blackrock Small Cap Fund***				
	At the beginning of the year	**0**	**0**		
	Increase/Decrease in Shareholding during the year				
	23-06-2017	75,306	0.55	75,306	0.55
	30-06-2017	41,213	0.30	1,16,519	0.85
	07-07-2017	23,037	0.17	1,39,556	1.02
	14-07-2017	666	0.00	1,40,222	1.03
	04-08-2017	65,218	0.48	2,05,440	1.51
	10-08-2017	14,218	0.10	2,19,658	1.61
	11-08-2017	4,440	0.03	2,24,098	1.64
	18-08-2017	8,893	0.07	2,32,991	1.71
	25-08-2017	11,269	0.08	2,44,260	1.79
	01-09-2017	2,433	0.02	2,46,693	1.81
	29-09-2017	11,282	0.08	2,57,975	1.89
	06-10-2017	1,15,489	0.85	3,73,464	2.74
	10-11-2017	1,28,352	0.94	5,01,816	3.68
	22-12-2017	(25,000)	(0.18)	4,76,816	3.50
	At the end of the year			**4,76,816**	**3.50**
4.	**SBI Magnum Multiplier Fund#**				
	At the beginning of the year	**4,26,284**	**3.13**		
	Increase/Decrease in Shareholding during the year				
	10-11-2017	(6,547)	(0.05)	4,19,737	3.08
	17-11-2017	(57,567)	(0.42)	3,62,170	2.66
	24-11-2017	(2,757)	(0.02)	3,59,413	2.64
	01-12-2017	(5,463)	(0.04)	3,53,950	2.60
	08-12-2017	(1,62,343)	(1.19)	1,91,607	1.41
	15-12-2017	(1,91,607)	(1.41)	0	0.00
	At the end of the year			**0**	**0.00**
5.	**Fidelity Funds - Asian Smaller Companies Pool#**				
	At the beginning of the year	**2,21,964**	**1.63**		
	Increase/Decrease in Shareholding during the year				
	13-10-2017	(11,963)	(0.09)	2,10,001	1.54
	20-10-2017	(17,330)	(0.13)	1,92,671	1.41
	27-10-2017	(38,270)	(0.28)	1,54,401	1.13
	31-10-2017	(12,229)	(0.09)	1,42,172	1.04
	03-11-2017	(12,427)	(0.09)	1,29,745	0.95
	10-11-2017	(1,29,745)	(0.95)	0	0.00
	At the end of the year			**0**	**0.00**

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year (As on April 01, 2017)		Cumulative Shareholding during the Financial Year 2017-18	
		No. of shares	Percent of total share capital of the Company	No. of Shares	Percent of total share Capital of the Company
6.	**India Acorn Fund Ltd.***				
	At the beginning of the year	**0**	**0**		
	Increase/Decrease in Shareholding during the year				
	17-11-2017	1,00,000	0.73	1,00,000	0.73
	08-12-2017	75,000	0.55	1,75,000	1.28
	22-12-2017	26,200	0.19	2,01,200	1.48
	At the end of the year			**2,01,200**	**1.48**
7.	**First State Indian Subcontinent Fund***				
	At the beginning of the year	**0**	**0**		
	Increase/Decrease in Shareholding during the year				
	15-12-2017	1,18,916	0.87	1,18,916	0.87
	At the end of the year			**1,18,916**	**0.87**
8.	**Fidelity Asian Values PLC#**				
	At the beginning of the year	**1,12,793**	**0.83**		
	Increase/Decrease in Shareholding during the year				
	06-10-2017	(1,12,793)	(0.83)	0	0.00
	At the end of the year			**0**	**0.00**
9.	**Vibgyor Investors & Developers Private Limited***				
	At the beginning of the year	**0**	**0**		
	Increase/Decrease in Shareholding during the year				
	30-03-2018	1,00,000	0.73	1,00,000	0.73
	At the end of the year			**1,00,000**	**0.73**
10.	**Ajaya Jain#**				
	At the beginning of the year	**1,00,000**	**0.73**		
	Increase/Decrease in Shareholding during the year				
	09-06-2017	(12,783)	(0.09)	87,217	0.64
	16-06-2017	(12,217)	(0.09)	75,000	0.55
	23-06-2017	(20,000)	(0.15)	55,000	0.40
	07-07-2017	(20,000)	(0.15)	35,000	0.26
	21-07-2017	(5,111)	(0.04)	29,889	0.22
	28-07-2017	(8,389)	(0.06)	21,500	0.16
	04-08-2017	(1,500)	(0.01)	20,000	0.15
	18-08-2017	(3,213)	(0.02)	16,787	0.12
	25-08-2017	(1,787)	(0.01)	15,000	0.11
	15-12-2017	(15,000)	(0.11)	0	0.00
	At the end of the year			**0**	**0.00**
11.	**Ashok Kumar Radhakrishna Ruia***				
	At the beginning of the year	**0**	**0.00**		
	Increase/Decrease in Shareholding during the year				
	15-12-2017	39,850	0.29	39,850	0.29
	22-12-2017	150	0.00	40,000	0.29
	16-02-2018	25,000	0.18	65,000	0.48
	02-03-2018	10,000	0.07	75,000	0.55
	09-03-2018	15,000	0.11	90,000	0.66
	At the end of the year			**90,000**	**0.66**
12.	**D Srimathi***				
	At the beginning of the year	**27,728**	**0.20**		
	Increase/Decrease in Shareholding during the year				
	07-04-2017	3,055	0.02	30,783	0.23
	14-04-2017	2,000	0.01	32,783	0.24
	28-04-2017	14,568	0.11	47,351	0.35

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year (As on April 01, 2017)		Cumulative Shareholding during the Financial Year 2017-18	
		No. of shares	Percent of total share capital of the Company	No. of Shares	Percent of total share Capital of the Company
	05-05-2017	2,000	0.01	49,351	0.36
	05-01-2018	7,709	0.06	57,060	0.42
	12-01-2018	4,114	0.03	61,174	0.45
	19-01-2018	1,500	0.01	62,674	0.46
	26-01-2018	8,230	0.06	70,904	0.52
	02-02-2018	6,971	0.05	77,875	0.57
	09-02-2018	1,093	0.01	78,968	0.58
	16-02-2018	5,717	0.04	84,685	0.62
	23-02-2018	2,050	0.02	86,735	0.64
	02-03-2018	503	0.00	87,238	0.64
	23-03-2018	500	0.00	87,738	0.64
	30-03-2018	300	0.00	88,038	0.65
	At the end of the year			**88,038**	**0.65**
13.	**Shivani Tejas Trivedi#**				
	At the beginning of the year	**77,557**	**0.57**		
	Increase/Decrease in Shareholding during the year				
	06-10-2017	(9,280)	(0.07)	68,277	0.50
	13-10-2017	(3,899)	(0.03)	64,378	0.47
	10-11-2017	(36,682)	(0.27)	27,696	0.20
	17-11-2017	(2,969)	(0.02)	24,727	0.18
	24-11-2017	(12,635)	(0.09)	12,092	0.09
	08-12-2017	(12,092)	(0.09)	0	0.00
	At the end of the year			**0**	**0.00**
14.	**William Van Buren**				
	At the beginning of the year	**74,210**	**0.54**		
	Increase/Decrease in Shareholding during the year	**0**	**0**		
	At the end of the year			**74,210**	**0.54**
15.	**Abu Dhabi Investment Council- (Whiting)***				
	At the beginning of the year	**0**	**0**		
	Increase/Decrease in Shareholding during the year				
	09-02-2018	58,868	0.43	58,868	0.43
	16-02-2018	13,391	0.10	72,259	0.53
	At the end of the year			**72,259**	**0.53**
16.	**Seema Jain#**				
	At the beginning of the year	**52,006**	**0.38**		
	Increase/Decrease in Shareholding during the year				
	28-07-2017	(52,006)	-0.38	0	0.00
	At the end of the year			**0**	**0.00**
17.	**Amit Goel#**				
	At the beginning of the year	**(50,000)**	**0.37**		
	Increase/Decrease in Shareholding during the year				
	22-12-2017	(50,000)	-0.37	0	0.00
	At the end of the year			**0**	**0.00**

*Not in the list of top 10 Shareholders as on April 01, 2017. The same have been reflected above since the Shareholder was one of the Top Shareholders as on March 31, 2018.

Ceased to be in the list of top 10 Shareholders as on March 31, 2018. The same is reflected above since the Shareholder was one of the top 10 Shareholder as on April 01, 2017.

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sr. No.	Name of the Directors & KMP	Shareholding at the beginning of the year (As on April 01, 2017)		Cumulative Shareholding during the Financial Year 2017-18	
		No. of shares	Percent of total share capital of the Company	No. of Shares	Percent of total share Capital of the Company
A.	Directors				
1	Mr. D. K. Jain				
	At the beginning of the year	16,55,257	12.14		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			16,55,257	12.14
2	Mr. Anmol Jain				
	At the beginning of the year	8,62,240	6.33		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			8,62,240	6.33
3	Mr. Deepak Jain				
	At the beginning of the year	9,14,652	6.71		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			9,14,652	6.71
4	Mr. Sanjay Mehta #				
	As on December 04, 2017	200	0.00		
	Increase/Decrease in Shareholding during the period	0	0		
	March 09, 2018	125	0.00		
	At the end of the year			325	0.00
B.	Key Managerial Person				
5	Mr. Ashish Dubey				
	At the beginning of the year	43	0.00		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			43	0.00

Note: 1. Independent Directors - Mr. Sandeep Dinodia, Mr. Milap Jain, Mr. Roop Salotra, Mr. Dhiraj Dhar Gupta, Mrs. Diviya Chanana and Ms. Swapnal Patane, Company Secretary did not hold any shares of the Company during the Financial Year 2017 -18.

2. Mrs. Usha Jain ceased to be the Director of the Company w.e.f. December 04, 2017 and her shareholding as on April 01, 2017 was 463,712 shares. As on December 04, 2017 there was no change.

3. # Mr. Sanjay Mehta appointed as Independent Director of the Company w.e.f. December 04, 2017.

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs in Lacs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	3,375.99	20.85	-	**3,396.84**
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**3,375.99**	**20.85**	-	**3,396.84**
Change in Indebtedness during the financial year					
-	Addition	5,587.80	-	-	**5,587.80**
-	Reduction	(8,867.32)	(17.10)	-	**8,867.32**
Net Change		**(3,279.52)**	**(17.10)**	-	**(3,279.52)**
Indebtedness at the end of the financial year					
i)	Principal Amount	96.47	3.75	-	**100.22**
ii)	Interest due but not paid	6.81	-	-	6.81
iii)	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		**103.28**	**3.75**		**107.03**

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs in Lacs)

Sr. No.	Particulars of Remuneration	Name of Managing Director/ Whole Time Director/ Manager		
		Mr. D.K. Jain (Executive Chairman)	Mr. Anmol Jain (Managing Director)	Total Amount
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	108.00	108.00	216.00
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.06	12.59	17.65
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit	91.65	111.00	202.65
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	**204.71**	**231.59**	**436.30**
	Ceiling as per Act	(Being 10% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)		

B. Remuneration to other directors:

(Rs in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount
		Mr. Deepak Jain	Mrs. Usha Jain *	Mr. Sanjay Mehta *	Mr. Sandeep Dinodia	Mr. Milap Jain	Mr. Roop Salotra	Mr. Dhiraj Dhar Gupta	Mrs. Diviya Chanana*	
1.	Independent Directors									
	• Fee for attending board/ committee meetings	-	-	-	2.40	2.40	2.00	1.60	0.60	9.00
	• Commission	-	-	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	**-**	**-**	**-**	**2.40**	**2.40**	**2.00**	**1.60**	**0.60**	**9.00**
2.	Other Non-Executive Directors									
	• Fee for attending board / committee meetings	-	-	-	-	-	-	-	-	-
	• Commission	45.97	-						-	**45.97**
	• Others, please specify	-	-	-						**-**
	Total (2)	**45.97**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**45.97**
	Total (1+2)	**45.97**	**-**	**-**	**2.40**	**2.40**	**2.00**	**1.60**	**0.60**	**54.97**
	Total Managerial Remuneration # (A + B)	-	-	-	-	-	-	-	-	**491.27**
	Overall Ceiling as per the Act	(Being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013 , Sitting Fees paid to Independent Directors shall not be considered as remuneration while calculating ceiling as per Section 197 of the Companies Act, 2013)								

*Mrs. Usha Jain ceased to be the Director of the Company w.e.f. December 04, 2017, Mr. Sanjay Mehta was appointed as an Additional Director (Non – Executive Director) and Mrs. Diviya Chanana was appointed as an Additional Director (Independent Director) of the Company w.e.f. December 04, 2017.

Total remuneration to Managing Director, Whole time Director and other Directors (being the Total of A and B)

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rs in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Ashish Dubey Chief Financial Officer	Swapnal Patane Company Secretary	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	47.78	6.04	**53.82**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.52	-	**1.52**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit	-	-	-
	- Others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	**49.30**	**6.04**	**55.34**

VII. Penalties / Punishment/ Compounding of Offences:

Against the Company, Directors and other Officers in Default under the Companies Act, 2013: **NONE**

Annexure I

Information as per Section 134(3)(m) of the Companies Act, 2013 and forming part of Directors' Report for the year ended March 31, 2018

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.:

a. Continuous saving of energy by replacing inefficient light by efficient LED light.

The Company had cautiously focused on replacement of inefficient light by LED light in Shop Floors, Office Premises, Street Lights etc. which resultantly reduced energy consumption by 10 per cent for PCNTDA Plant, 3 per cent for Bangalore plant and 5 per cent in K-76 and Shahajapur Aurangabad Plants of total energy consumption in those plants.

b. Energy conservation by improving overall efficiency of Plants

The Company initiated working on re-design of utility equipment by this Phase sequence relay for cooler motor of compressor installed the same is resulted into saving 2.5 per cent of energy consumption of PCNTDA Plant. Temperature controller sensors added in cooling tower for auto cut-off of motor. The same is resulted in saving of energy of approx. 6K units per year.

c. Reduction in energy consumption of process machinery power controlling by making changes in technology and by adopting upgraded technology.

The Company commenced technology up gradation for power controlling & adopted new technology for process machine for Surface treatment and Moulding machine which reduced energy consumption by 6 per cent in Bhosari plant & 12 per cent in Chakan plant.

d. Moulding Machine with Servo Motor:

The Company has further replaced Moulding Machine induction motor with Servo Motor in its Bangalore Plant, thereby expecting to save electricity consumption approximately by 25 per cent to 30 per cent. The purchase of energy from Indian Energy Exchange (IEX) by open Access Trading has further resulted in additional saving per unit.

(b) Step taken by the Company for utilizing alternate source of energy

The company has initiated activity of installation of solar power system with capacity of 250 -300 KVA in its different plants located at PCNTDA Pune and K-76 & Shahajapur of Aurangabad in Maharashtra and Bangalore in Karnataka, which will help in energy conservation and reduction of overall cost of energy. Further proposal of installation of solar street lights also in consideration for plants of the company.

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.

B. Technology Absorption

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 various initiatives to improve local technical capabilities.

Research & Development

a) Expenditure on Research & Development

(Rs in Lacs)

(i)	Capital	-
(ii)	Recurring	240.83
	Total	**240.83**
(iii)	**Total R & D Expenditure as a percentage of Total Turnover**	**0.39**

C. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year is Rs 2,384.17 Lacs and the Foreign Exchange outgo during the year in terms of actual outflows is Rs 809.01 Lacs.

Standalone Financial Statements

Independent Auditor's Report

To the Members of Lumax Auto Technologies Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Lumax Auto Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 standlone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone Ind AS 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, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in it’s Ind AS financial statements – Refer Note 39 to the Standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 94421

Place: New Delhi
Date: May 28, 2018

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Lumax Auto Technologies Limited ("the Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties, included in fixed assets except for the building (non-factory) capitalised during the year, are held in the name of the company. As explained to us, registration of title deeds is in progress in respect of the building (non-factory) acquired during the last two year amounting to Rs 1273.16 Lacs.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of the investments made have been complied by the company. In our opinion and according to the information and explanations given to us, there are no loans, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) 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 148(1) of the Companies Act, 2013, related to the manufacture of automobile components, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, sales-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Maharashtra Value Added Tax, 2002	Value Added Tax	88.02 Lacs	Financial Year 2013-14	Deputy Commissioner of Sales Tax (Appeals), Pune
Income Tax Act, 1961	Income Tax	1 Lacs	Assessment year 2010-11	Income Tax Appellate tribunal
Income Tax Act, 1961	Income Tax	3.85 Lacs	Assessment year 2012-13	Income Tax Appellate tribunal

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans and borrowing to a financial institution, bank or government dues. There is no debenture outstanding during the year.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. The Company has not raised any money by way of initial public offer / further public offer / debt instruments during the current year.

(x) Based upon 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 by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 94421

Place: New Delhi
Date: May 28, 2018

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of Lumax Auto Technologies Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Lumax Auto Technologies Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 94421

Place: New Delhi
Date: May 28, 2018

Balance Sheet
as at March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

		Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS					
I.	**Non-current assets**				
	Property, plant and equipment	3 (a)	13,917.40	12,114.75	11,516.96
	Capital work in progress	3 (b)	259.81	593.11	298.64
	Intangible assets	4	98.50	89.06	112.50
	Investment in a subsidiaries and a Joint venture	5	1,630.92	1,600.32	920.17
	Financial assets				
	- Investments	6	11,474.14	7,241.60	2,202.12
	- Other financial assets	7	178.41	164.67	151.99
	Other non- current assets	8	467.98	186.43	1,265.48
		(A)	**28,027.16**	**21,989.94**	**16,467.86**
II.	**Current assets**				
	Inventories	9	4,308.59	2,642.77	3,103.79
	Financial assets				
	- Loans	10	44.45	28.56	42.36
	- Trade receivables	11	16,651.96	8,756.42	9,588.13
	- Cash and cash equivalents	12	817.75	1,261.24	785.25
	- Other bank balances	13	12.15	16.36	130.24
	- Others financial assets	7	59.33	13.96	49.04
	Other current assets	8	905.34	613.84	645.83
	Current tax assets (net)	14	-	108.77	-
		(B)	**22,799.57**	**13,441.92**	**14,344.64**
	Total Assets	**(A+B)**	**50,826.73**	**35,431.86**	**30,812.50**
EQUITY AND LIABILITIES					
I.	**Equity**				
	Equity share capital	15	1,363.15	1,363.15	1,363.15
	Other equity	16	24,476.96	18,135.74	12,586.42
	Total equity	**(A)**	**25,840.11**	**19,498.89**	**13,949.57**
	Liabilities				
II.	**Non- current liabilities**				
	Financial liabilities				
	- Borrowings	17	36.07	74.56	1,337.01
	Deferred tax liabilities (net)	18	1,048.85	826.76	872.95
		(B)	**1,084.92**	**901.32**	**2,209.96**
III.	**Current liabilities**				
	Financial liabilities				
	- Borrowings	17	-	2,000.00	-
	- Trade payables	19	18,817.91	8,821.03	10,817.92
	- Other financial liabilities	20	2,468.49	2,770.62	2,506.32
	Provisions	21	349.27	316.93	155.29
	Other current liabilities	22	2,192.92	1,123.07	1,153.22
	Current Tax Liabilities (Net)	14	73.11	-	20.22
		(C)	**23,901.70**	**15,031.65**	**14,652.97**
	Total Liabilities		**24,986.62**	**15,932.97**	**16,862.93**
	Total equity and liabilities	**(A+B+C)**	**50,826.73**	**35,431.86**	**30,812.50**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : May 28, 2018

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Statement of Profit and Loss

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

		Notes	For the Year ended March 31, 2018	For the Year ended March 31, 2017
I	Revenue from operations	23	60,750.77	52,149.66
II	Other income	24	1,499.47	387.54
III	**Total income**		**62,250.24**	**52,537.20**
IV	**Expenses**			
	Cost of raw material and components consumed	25	28,858.12	20,327.20
	Cost of moulds consumed	26	540.11	209.10
	Purchases of traded goods		12,641.51	13,173.04
	(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	27	(519.43)	509.65
	Excise duty on sale of goods		1,157.49	4,076.48
	Employee benefits expense	28	5,660.29	5,159.77
	Finance costs	29	269.45	354.64
	Depreciation and amortization expense	30	1,332.63	1,308.37
	Other expenses	31	8,026.56	6,342.61
V	**Total expenses**		**57,966.73**	**51,460.86**
VI	**Profit before exceptional items and tax (III-V)**		**4,283.51**	**1,076.34**
	Exceptional Item	32	227.50	322.41
VII	**Profit before tax**		**4,056.01**	**753.93**
VIII	**Tax expense:**			
	Current tax	18	1,132.22	278.19
	Adjustment of tax relating to earlier years	18	(1.08)	(31.61)
	Deferred tax	18	3.10	(31.73)
IX	**Total tax expense**		**1,134.24**	**214.85**
X	**Profit for the year (VII-IX)**		**2,921.77**	**539.08**
XI	**Other comprehensive income**			
	Other comprehensive income not to be reclassified to statement of profit or loss in subsequent period			
	Re-measurement gains/ (losses) on defined benefit plans	33	46.58	(43.69)
	Income tax effect	33	(16.28)	14.45
	Gain on FVTOCI equity securities	33	4,232.55	5,039.48
	Income tax effect	33	(202.72)	-
XII	**Other comprehensive income for the year, net of tax**		**4,060.13**	**5,010.24**
XIII	**Total comprehensive income of the year, net of tax**		**6,981.90**	**5,549.32**
	Earnings per share (In Rs) :			
	1) Basic	34	21.43	3.96
	2) Diluted	34	21.43	3.96

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : May 28, 2018

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Cash Flow Statement

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Cash Flow from Operating Activities		
Profit before tax	**4,056.01**	**753.93**
Non-cash adjustments:		
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	1,332.63	1,308.37
Loss on sale of Property, plant and equipment	14.92	4.46
Liabilities/ provisions no longer required, written back	(92.26)	(42.64)
Provision for doubtful debts	30.51	7.44
Unrealised exchange loss/ (gain)	20.63	(7.65)
Dividend income	(874.89)	-
Interest income	(20.52)	(11.49)
Interest expenses	269.45	354.64
Operating profit before working capital changes	**4,736.48**	**2,367.06**
Movements in working capital :		
(Increase)/Decrease in trade receivables	(7,926.04)	824.27
(Increase)/Decrease in financial assets	(65.69)	14.39
Increase in other assets	(313.20)	(121.80)
(Increase)/Decrease in inventories	(1,665.82)	461.02
Increase/(Decrease) in trade payable and other payable	10,068.51	(1,946.60)
Increase in current liabilities, provisions and financial liabilities	1,347.90	565.69
Cash generated from operations	**6,182.14**	**2,164.03**
Direct taxes paid	**(1,059.58)**	(296.72)
Net cash generated from operating activities (A)	**5,122.56**	**1,867.31**
Cash flows from investing activities		
Purchase of Property, plant and equipment (including capital in progress and capital advances)	(2,229.73)	(1,421.35)
Purchase of non-current investments	(30.60)	(680.15)
Proceeds from sale of Property, plant and equipment	10.72	183.11
Dividend received	874.89	-
Interest received	11.21	33.30
Proceeds from maturity of bank deposits	4.21	113.87
Net cash used in investing activities (B)	**(1,359.30)**	**(1,771.22)**
Cash flows from financing activities		
Repayment of long term borrowings	(1,296.62)	(1,265.46)
(Repayment of) / proceeds from short term borrowings	(2,000.00)	2,000.00
Dividend paid (including tax thereon)	(640.68)	-
Interest paid	(269.45)	(354.64)
Net cash used in financing activities (C)	**(4,206.75)**	**379.90**
Net (decrease)/Increase in cash and cash equivalents (A + B + C)	**(443.49)**	**475.99**
Cash and cash equivalents at the beginning of the year	1,261.24	785.25
Cash and cash equivalents at the end of the year	**817.75**	**1,261.24**

Cash Flow Statement (Contd.)

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Components of cash and cash equivalents		
Cash on hand	4.21	5.31
Cheques/ drafts on hand		-
Balance with banks		
- On current accounts	155.40	1,255.93
- On cash credit account	53.51	-
- Deposits with original maturity of less than three months	604.63	-
Total cash and cash equivalents (refer note 13)	**817.75**	**1,261.24**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : May 28, 2018

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

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Statement of Changes in Equity

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	Share capital* (1)	Other Equity						Total equity (1+2)
		Retained earnings	Capital Reserve	Securities premium	General reserve	FVTOCI reserve	Total Reserves and surplus (2)	
As at April 01, 2016	1,363.15	6,247.50	69.09	4,528.55	1,477.00	264.28	12,586.42	13,949.57
Add: Profit for the year	-	539.08	-	-	-	-	539.08	539.08
Add: Other comprehensive income	-	(29.24)	-	-	-	5,039.48	5,010.24	5,010.24
Total comprehensive income	**-**	**509.84**	**-**	**-**	**-**	**5,039.48**	**5,549.32**	**5,549.32**
As at March 31, 2017	**1,363.15**	**6,757.34**	**69.09**	**4,528.55**	**1,477.00**	**5,303.76**	**18,135.74**	**19,498.89**
Add: Profit for the year	-	2,921.77	-	-	-	-	2,921.77	2,921.77
Add: Other comprehensive income	-	30.30	-	-	-	4,029.83	4,060.13	4,060.13
Total comprehensive income	**-**	**2,952.07**	**-**	**-**	**-**	**4,029.83**	**6,981.90**	**6,981.90**
Less: Dividend Paid (Refer Note 16)	-	(640.68)	-	-	-	-	(640.68)	(640.68)
As at March 31, 2018	**1,363.15**	**9,068.73**	**69.09**	**4,528.55**	**1,477.00**	**9,333.59**	**24,476.96**	**25,840.11**

* Nos. 136.32 Lacs (March 31, 2017: 136.32 Lacs and April 1, 2016: 136.32 Lacs) equity shares of Rs 10/- each fully paid up

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : May 28, 2018

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

1. Corporate information

Lumax Auto Technologies Limited ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the company is located at Plot No. 70, Sector -10 PCNTDA, Bhosari, Pune, Maharashtra.

The Company is principally engaged in the manufacturing of automotive components. Information on the Company's structure is provided in Note 35. Information on other related party relationships of the Company is provided in Note 40.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2018.

2 Significant accounting policies

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

These financial statements for the year ended March 31, 2018 are the first the Company has prepared in accordance with Ind AS. Refer to note 49 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis, except for the financial assets and liabilities which have been measured at fair value or revalued amount.

2.2 Summary of significant accounting policies

a. Investment in subsidiaries and Joint Venture

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.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet are based on current/ non-current classification.

An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle

b) Held primarily for the purpose of trading

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(a) It is expected to be settled in normal operating cycle

(Amount in Rs Lacs, unless otherwise stated)

(b) It is held primarily for the purpose of trading

(c) It is due to be settled within twelve months after the reporting period, or

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

All other liabilities are classified as non-current.

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

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable amount. Any write down amount is recognized in the statement of profit and loss.

The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment and capital work in progress as its deemed cost as at the date of transition.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

Capital work in progress

Capital work in progress comprises the cost of tangible assets that are not ready for their intended use at the reporting date.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives as estimated by the management which is in line with the Schedule II to the Companies Act, 2013. The Company has used the following useful lives to provide depreciation on its Property, plant and equipment which is in line with schedule II:

Assets	Useful Lives estimated by the management (in years)
Lease hold land	99
Factory Building	30
Other Building	30 to 60
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	5

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

The management has estimated, supported by independent assessment by professionals, the useful life of the following class of asset, which are higher/different than that indicated in Schedule II.

Assets	Useful Lives estimated by the management (in years)
Plant and Machineries	21
Plant and Machineries (Robots)	12
Moulds	9

Leasehold land is amortised on a straight line basis over the period of lease term.

The residual value of property, plant and equipment is considered at 2%.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

d. Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Company are measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

The Company has elected Ind AS 101 exemption and continue with the carrying value for all of intangibles and intangibles under construction as its deemed cost as at the date of transition.

Amortisation and useful lives

Intangible assets with finite lives are amortised over the estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Amortisation is calculated over the cost of the asset, or other amount substituted for cost.

Intangible Assets	Estimated Useful Life (Years)
Computer Software	Over the estimated economic useful lives ranging from 3 to 4 years
Technical Know-how	Over the period of Technical Assistance Agreement i.e. 8 years

Gain or loss arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f. Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value.

The basis of determining costs for various categories of inventories is as follows:

- **Raw materials, components, stores and spares:** Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted moving average basis.

- **Work-in-progress and finished goods:** Cost includes direct material plus appropriate share of labour, manufacturing overheads based on normal operating capacity. Cost is determined on a weighted moving average basis.

- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

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

Scraps are valued at net realisable value

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of finished goods are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed its net realisable value. The comparison of cost and net realizable value is made on an item-by-item basis.

g. Foreign currencies

Functional and presentational currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash. All the financial information presented in "Lacs", except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

h. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Goods and services tax (GST), sales tax or value added tax (VAT) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

I. ***Sale of goods***

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Production scrap and other miscellaneous scrap are recognized in revenue.

II. ***Interest Income***

Interest income is accrued on a time basis, by reference to the principal outstanding and recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

III. ***Dividend Income***

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

IV. ***Rental Income***

Rental income arising from operating leases are accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

V. ***Government grants***

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

i. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to the Ind AS transition date i.e. April 01, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date, fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the

(Amount in Rs Lacs, unless otherwise stated)

remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease

A lease where risks and rewards incidental to ownership of an asset substantially vest with the lessor is classified as operating lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless:

(a) Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

j. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

i) The Company operates defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

ii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

iii) The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income

k. Provisions (other than employee benefits)

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

l. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

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

Debt instruments at amortised cost

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

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

All equity investments in scope of Ind AS 109 are measured at fair value. The group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Investments in Equity Instruments

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

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

(i) The contractual rights to receive cash flows from the asset has expired, or

(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

The Company's financial liabilities include trade and other payables, loans and borrowings etc.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at Amortized cost

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

m. Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

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

n. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are Company together into the smallest

Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Company's of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

o. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

(b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

p. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

r. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders

(Amount in Rs Lacs, unless otherwise stated)

of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

s. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

t. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operates.

u. Non-current assets held for sale

The Company classifies non-current assets and disposal Company as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans

The present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

b) ***Property, plant and equipment***

Refer note 2.2(c) for the estimated useful life of property, plant and equipment. The carrying value of property, plant and equipment has been disclosed in note 3(a).

During the year the Company has made re-assessment of the estimated useful life of the property plant and equipment's, there has been a change in useful life of certain class of property plant and equipment's under plant and Machineries from existing 8 years to 12 years. The impact of the change in the estimate resulted in the decrease of depreciation expense by 49.17 Lacs in the current year.

c) **Intangible assets**

Refer note 2.2(d) for the estimated useful life of intangible assets. The carrying value of intangible assets has been disclosed in note 4.

d) **Contingencies**

Refer note 39 for details of contingencies.

e) **Impairment of financial assets**

Refer note 2.2(m) for the policy to estimate the impairment of financial assets.

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

Refer note 2.2(n) for the policy to estimate the impairment of non-financial assets.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

3. Property, plant and equipment and capital work in progress

a) Property, plant and equipment (net)

The details of property, plant and equipment (net) :

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Freehold land	519.81	519.81	519.81
Leasehold Land	304.35	307.74	311.13
Building	2,358.31	2,374.36	2,470.91
Buildings (Non- Factory)	1,272.86	851.50	-
Plant and Equipments	8,947.12	7,458.97	7,644.69
Furniture and Fixtures	167.18	167.06	120.70
Office Equipments	54.46	91.51	75.46
Vehicles	241.76	288.49	295.33
Computers	51.55	55.31	78.93
Total	**13,917.40**	**12,114.75**	**11,516.96**

b) Capital work in progress

The details of capital work in progress:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital work in progress *	259.81	593.11	298.64
Total	**259.81**	**593.11**	**298.64**

* Capital work in progress as at March 31, 2018 comprises expenditure for the plant and equipment's.

c) **Ind AS 101 Exemption:** The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment and capital work in progress as its deemed cost as at the date of transition.

Details of gross block, accumulated depreciation and net block carried at deemed cost

	Gross Block as at April 01, 2016	Accumulated depreciation as at April 01, 2016	Net Block as at April 01, 2016/ Deemed Cost
Freehold land	519.81	-	519.81
Leasehold Land	335.25	24.12	311.13
Building	3,021.65	550.74	2,470.91
Plant and Equipments	11,338.35	3,693.66	7,644.69
Furniture and Fixtures	218.39	97.69	120.70
Office Equipments	176.54	101.08	75.46
Vehicles	471.35	176.02	295.33
Computers	244.46	165.53	78.93
Total	**16,325.80**	**4,808.84**	**11,516.96**

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Notes to Financial Statements

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(Amount in Rs Lacs, unless otherwise stated)

3.1 Property, plant and equipment

	Freehold land	Leasehold Land	Building	Buildings (Non-Factory)	Plant and equipment's	Furniture and fixtures	Office equipment's	Vehicles	Computers	Total
Cost or valuation										
As at April 01, 2016	519.81	335.25	3,021.65	-	11,338.35	218.39	176.54	471.35	244.46	16,325.80
Additions	-	-	1.34	851.80	955.68	66.89	56.23	89.55	16.94	2,038.43
Disposals	-	-	-	-	(221.78)	(0.09)	-	(39.09)	(0.93)	(261.89)
Fixed asset held for sale*	-	-	-	-	(10.50)	-	-	-	-	(10.50)
As at March 31, 2017	**519.81**	**335.25**	**3,022.99**	**851.80**	**12,061.75**	**285.19**	**232.77**	**521.81**	**260.47**	**18,091.84**
Additions **	-	-	101.16	421.36	2,463.58	35.90	10.52	51.54	33.54	3,117.60
Disposals	-	-	-	-	(10.42)	(23.79)	-	(28.78)	(1.25)	(64.24)
As at March 31, 2018	**519.81**	**335.25**	**3,124.15**	**1,273.16**	**14,514.91**	**297.30**	**243.29**	**544.57**	**292.76**	**21,145.20**
Depreciation and Impairments										
As at April 01, 2016	-	24.12	550.74	-	3,693.66	97.69	101.08	176.02	165.53	4,808.84
Depreciation Charge for the year	-	3.39	97.89	0.30	955.51	20.53	40.18	87.99	40.18	1,245.97
Disposal	-	-	-	-	(42.99)	(0.09)	-	(30.69)	(0.55)	(74.32)
Fixed asset held for sale	-	-	-	-	(3.40)	-	-	-	-	(3.40)
As at March 31, 2017	**-**	**27.51**	**648.63**	**0.30**	**4,602.78**	**118.13**	**141.26**	**233.32**	**205.16**	**5,977.09**
Depreciation Charge for the year	-	3.39	117.21	-	970.79	23.44	47.57	96.74	37.26	1,296.40
Disposal	-	-	-	-	(5.78)	(11.45)	-	(27.25)	(1.21)	(45.69)
As at March 31, 2018	**-**	**30.90**	**765.84**	**0.30**	**5,567.79**	**130.12**	**188.83**	**302.81**	**241.21**	**7,227.80**
Net Block										
As at March 31, 2018	**519.81**	**304.35**	**2,358.31**	**1,272.86**	**8,947.12**	**167.18**	**54.46**	**241.76**	**51.55**	**13,917.40**
As at March 31, 2017	**519.81**	**307.74**	**2,374.36**	**851.50**	**7,458.97**	**167.06**	**91.51**	**288.49**	**55.31**	**12,114.75**
As at April 01, 2016	**519.81**	**311.13**	**2,470.91**	**-**	**7,644.69**	**120.70**	**75.46**	**295.33**	**78.93**	**11,516.96**

* The Company had entered into an agreement with Lumax Ancillary Limited to sell one of its unit at kala-amb on slump sale basis on April 1, 2017. Accordingly WDV of property, plant and equipment situated at Kala-amb were disclosed under current assets as " Assets held for sale" amounting to 7.10 Lacs as at March 31, 2017. The same was sold in the current year.

** Addition to building (non factory) in the current year having value of Rs 421.36 Lacs is yet to be registered in the name of the Company. Total value of property, plant and equipment which is yet to be registered in the name of the Company to Rs 1273.16 Lacs as on March 31, 2018.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

4. Intangible assets

a) Details of intangible assets:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Intangible assets			
- Computer software	98.50	83.84	102.05
- Technical Know How	-	5.22	10.45
Total	**98.50**	**89.06**	**112.50**

b) Disclosures regarding gross block of intangible assets, accumulated amortisation and net block are as given below:

	Technical Know How	Computer software	Total
Cost			
At April 01, 2016	57.84	266.30	324.14
Add: Additions	-	38.96	38.96
At March 31, 2017	**57.84**	**305.26**	**363.10**
Add: Additions	-	45.67	45.67
Less: Disposals	-	(0.16)	(0.16)
At March 31, 2018	**57.84**	**350.77**	**408.61**
Amortisation			
At March 31, 2016	47.39	164.25	211.64
Add: Amortisation charge for the year	5.23	57.17	62.40
At March 31, 2017	**52.62**	**221.42**	**274.04**
Add: Amortisation charge for the year	5.22	31.01	36.23
Less: Disposals	-	(0.16)	(0.16)
At March 31, 2018	**57.84**	**252.27**	**310.11**
Net book value			
At March 31, 2018	**-**	**98.50**	**98.50**
At March 31, 2017	5.22	83.84	89.06
At April 01, 2016	10.45	102.05	112.50

c) The Company has elected Ind AS 101 exemption and continue with the carrying value for all of intangibles assets as its deemed cost as at the date of transition.

Details of gross block, accumulated depreciation and net block carried at deemed cost

	Gross Block as at April 01, 2016	Accumulated depreciation as April 01, 2016	Net Block as at April 01, 2016/ Deemed Cost
Computer Software	266.30	164.25	102.05
Technical Know How	57.84	47.39	10.45
Total	**324.14**	**211.64**	**112.50**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

5. Investment in a subsidiaries and a Joint venture

Details of Investment

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
- Investment in subsidiaries			
unquoted, valued at cost			
Lumax DK Auto Industries Limited	**123.66**	**123.66**	**123.66**
42.40 Lacs (March 31, 2017 - 42.40 Lacs April 01, 2016 - 42.40 Lacs) equity shares of Rs 10 each fully paid up			
Lumax Mannoh Allied Technologies Private Limited	**2.51**	**2.51**	**2.51**
19.14 Lacs (March 31, 2017 - 19.14 Lacs, April 01, 2016 - 19.14 Lacs) equity shares of Rs 10 each fully paid up			
Lumax Integrated Ventures Private Limited	**81.89**	**51.29**	**10.49**
8.19 Lacs (March 31, 2017 - 5.08 Lacs, April 01, 2016 - 1 Lacs) equity shares of Rs 10 each fully paid up			
Lumax Management Services Private Limited	**413.35**	**413.35**	**-**
3.10 Lacs (March 31, 2017 - 3.10 Lacs, April 01, 2016 - nil) equity shares of Rs 10 each fully paid up			
Lumax Cornaglia Auto Technologies Private Limited	**590.71**	**590.71**	**564.71**
32.13 Lacs (March 31, 2017 - 32.13 Lacs, April 01, 2016 - 31.85 Lacs) equity shares of Rs 10 each fully paid up			
- Investment in Joint ventures			
unquoted, valued at cost			
Lumax Gill-Austem Auto Technologies Private Limited	**418.80**	**418.80**	**218.80**
24.73 Lacs (March 31, 2017 - 24.73 Lacs, April 01, 2016 - 21.88 Lacs) equity shares of Rs 10 each fully paid up			
Total	**1,630.92**	**1,600.32**	**920.17**

Ind As 101 Exemption

The Company has elected Ind AS 101 exemption and continue with the carrying value for all investment in Joint ventures and Subsidiaries as its deemed cost as at the date of transition.

Details of Investment carried at deemed cost

	Cost as on March 31, 2016	Cost as on April 01, 2016
Lumax DK Auto Industries Limited	123.66	123.66
Lumax Mannoh Allied Technologies Private Limited	2.51	2.51
Lumax Integrated Ventures Private Limited	10.49	10.49
Lumax Cornaglia Auto Technologies Private Limited	564.71	564.71
Lumax Gill-Austem Auto Technologies Private Limited	218.80	218.80
Total	**920.17**	**920.17**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

6. Investments

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments			
Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*			
5.25 Lacs (March 31, 2017: 5.25 Lacs, 1 April 2016: 5.25 Lacs) Equity Share of Rs 10 each fully paid up of Lumax Industries Limited*	11,474.14	7,241.60	2,202.11
Investment in equity instruments (Unquoted)			
0.00020 Lacs (Previous year 0.00020 Lacs) equity shares of Rs 50 each fully paid-up of Rupee Co-op Bank Limited	-	-	0.01
	11,474.14	**7,241.60**	**2,202.12**
Current	**-**	**-**	**-**
Non-current	**11,474.14**	**7,241.60**	**2,202.12**

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

7. Other financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other financial assets			
Non- current			
Security Deposits			
- Considered good	173.41	164.17	134.93
- Doubtful	5.00	5.00	5.00
	178.41	**169.17**	**139.93**
Provision for bad & doubtful debts	(5.00)	(5.00)	(5.00)
	173.41	**164.17**	**134.93**
Deposits with remaining maturity for more than 12 months*	5.00	0.50	17.06
	178.41	**164.67**	**151.99**
Current			
Interest accrued but not due	10.01	0.70	22.51
Other recoverables	49.32	13.26	26.53
	59.33	**13.96**	**49.04**
Total	**237.74**	**178.63**	**201.03**
Current	**59.33**	**13.96**	**49.04**
Non- Current	**178.41**	**164.67**	**151.99**
	237.74	**178.63**	**201.03**

* Deposits with remaining maturity for more than 12 months includes 5 Lacs (March 31, 2017 - 0.5 Lacs, April 01, 2016 - 0.5 Lacs) deposited with Maharashtra Pollution control board.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Break up of financial assets carried at amortised cost:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables	16,651.96	8,756.42	9,588.13
Cash and cash equivalents	817.75	1,261.24	785.25
Other Bank Balance	12.15	16.36	130.24
Loan to employees	44.45	28.56	42.36
Other financial assets	237.74	178.63	201.03
Total	**17,764.05**	**10,241.21**	**10,747.00**

8. Other assets

(Unsecured, considered good, unless otherwise stated)

The details of other assets:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non- current			
Advances for property, plant and equipment	243.28	93.75	1,247.74
Income tax refund receivable	140.24	29.92	-
Balances with statutory/government authorities *	84.46	62.76	17.74
Total (A)	**467.98**	**186.43**	**1,265.48**
Current			
Balance with statutory / government authorities	463.23	191.89	235.76
Advance to suppliers	367.24	325.49	336.35
Prepaid expenses	34.02	46.45	45.88
Assets classified as held for sale	-	7.10	-
Others advances	40.85	42.91	27.84
Total (B)	**905.34**	**613.84**	**645.83**
Total (A+B)	**1,373.32**	**800.27**	**1,911.31**
Total current	**905.34**	**613.84**	**645.83**
Total non -current	**467.98**	**186.43**	**1,265.48**

* Balance with government authorities includes the amount of subsidy claim receivable on the capital investments made in the state of Maharashtra.

Notes to Financial Statements
for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

9. Inventories

a) Details of inventories:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw materials (at cost)	2,212.71	1,053.58	982.12
(includes material in transit Rs 41.81 Lacs (March 31, 2017- Rs 52.97 Lacs, April 01, 2016 - Nil)			
Work-in-progress (at cost)	271.23	165.96	184.30
Finished goods (at lower of cost and net realisable value) [including sales in transit Rs 406.82 Lacs (March 31, 2017: Rs 101.92 Lacs) April 01, 2016: Rs 134.31 Lacs)]	408.01	275.12	224.36
Traded goods [including goods in transit Rs 203.32 Lacs (March 31, 2017: Rs 10.76 Lacs April 01, 2016: Rs 82.69 Lacs)]	1,342.35	1,061.08	1,603.15
Moulds	0.52	26.15	-
Stores and spares	73.77	60.88	109.86
Total inventories at the lower of cost and net realisable value	**4,308.59**	**2,642.77**	**3,103.79**

b) Stores and spares are capitalised if they meet the definition of property, plant and equipment as per Ind AS 16, otherwise they are classified as inventory.

As per Ind AS 16, Property, plant and equipment are tangible items that:

i) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

ii) Are expected to be used during more than one period.

Management has assessed that the useful life of stores and spares is less than one year, hence considered as part of inventories.

10. Loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans			
Loan to Employees	44.45	28.56	42.36
	44.45	**28.56**	**42.36**
Current	44.45	28.56	42.36
Non- current	-	-	-

11. Trade receivables

a) Details of trade receivables:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables	10,859.28	6,456.83	7,710.83
Receivables from a subsidiaries and joint venture (Note 40)	283.90	485.55	481.99
Receivables from other related parties (Note 40)	5,508.78	1,814.04	1,395.31
Total Trade receivables	**16,651.96**	**8,756.42**	**9,588.13**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

b) Break-up for security details:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables			
Secured, considered good	357.27	351.20	357.45
Unsecured, considered good	16,294.69	8,405.22	9,230.68
Doubtful	67.19	44.72	37.28
Total	**16,719.15**	**8,801.14**	**9,625.41**
Provision for doubtful receivables	(67.19)	(44.72)	(37.28)
Total	**16,651.96**	**8,756.42**	**9,588.13**

c) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

d) Trade receivables are non-interest bearing and are generally on terms of not more than 30-90 days.

12. Cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks:			
- On current accounts	155.40	1,255.93	452.33
- Deposits with original maturity of less than 3 months	604.63	-	-
- on cash credit accounts	53.51	-	322.58
Cash on hand	4.21	5.31	10.34
Total	**817.75**	**1,261.24**	**785.25**

13. Other bank balances

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other bank balances			
- Deposits having remaining maturity of more than 12 months	5.00	0.50	17.06
- Deposits with remaining maturity more than 3 months but less than 12 months	-	6.84	118.93
- on unpaid dividend account *	12.15	9.52	11.31
Total	**17.15**	**16.86**	**147.30**
Less: Deposits having remaining maturity of more than 12 months disclosed under other financial assets (refer note 7)	(5.00)	(0.50)	(17.06)
Total	**12.15**	**16.36**	**130.24**

* The Company can utilise the balance only towards settlement of unclaimed dividend.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

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

	As at March 31, 2018	As at March 31, 2017
Balances with banks:		
- On current accounts	155.40	1,255.93
- Deposits with original maturity of less than 3 months	604.63	-
- On cash credit account	53.51	-
Cash on hand	4.21	5.31
Total	**817.75**	**1,261.24**

14. Current Tax Liabilities/ (assets) - net

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current tax liabilities / (assets) (net)	**73.11**	**(108.77)**	**20.22**

15. Share Capital

a) Details of share capital is as follows:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised share capital			
150 Lacs (March 31, 2017: 150 Lacs, April 01, 2016: 150 Lacs) equity shares of Rs 10 each	1,500.00	1,500.00	1,500.00
	1,500.00	**1,500.00**	**1,500.00**
Issued, subscribed and fully paid up capital			
136.32 Lacs (March 31, 2017: 136.32 Lacs April 01, 2016: 136.32 Lacs) equity shares of Rs 10 each	1,363.15	1,363.15	1,363.15
	1,363.15	**1,363.15**	**1,363.15**

b) Reconciliation of authorised share capital

	Equity Shares	
	No. of shares (in Lacs)	Amount
At April 01, 2016	150.00	1,500.00
At March 31, 2017	150.00	1,500.00
At March 31, 2018	**150.00**	**1,500.00**

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

	Equity Shares	
	No. of shares (in Lacs)	Amount
Equity shares of Rs 10 each issued, subscribed and fully paid		
At April 01, 2016	136.32	1,363.15
At March 31, 2017	136.32	1,363.15
At March 31, 2018	**136.32**	**1,363.15**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

d) Terms/ rights attached to equity shares:

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of any preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

As at March 31, 2018, the paid up equity share capital of the Company stood at 1,363.15 Lacs divided into Nos. 136.32 Lacs equity shares of the face value of Rs 10 each. The Company has obtained its Boards' approval for Sub-division of existing 1 equity share having face value of Rs 10 each fully paid-up into 5 equity shares having face value of Rs 2 each. The following matters was approved by the board in the board meeting held on March 23, 2018. Further the company is in process of obtaining shareholders approval through postal ballot.

e) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares (in Lacs)	% holding in the equity shares	No. of shares (in Lacs)	% holding in the equity shares	No. of shares (in Lacs)	% holding in the equity shares
Equity shares of INR 10 each fully paid						
Lumax Finance Private Limited, *an enterprise with significant influence*	24.22	17.77%	24.22	17.77%	24.22	17.77%
Dhanesh Kumar Jain, Director	16.55	12.14%	16.55	12.14%	16.55	12.14%
Albula Investment Fund Limited, *an enterprise with significant influence*	12.32	9.03%	12.32	9.03%	12.32	9.03%
D. K. Jain & Sons (HUF), *an enterprise with significant influence*	11.81	8.66%	11.81	8.66%	11.81	8.66%
Deepak Jain, Director	9.15	6.71%	9.15	6.71%	9.15	6.71%
Anmol Jain, Managing, Director	8.62	6.33%	8.62	6.33%	8.62	6.33%

16. Other Equity

	Retained earnings	Capital Reserve	Securities premium	General reserve	FVTOCI reserve	Total
At April 1, 2016	6,247.50	69.09	4,528.55	1,477.00	264.28	**12,586.42**
Profit for the year	539.08	-	-	-	-	**539.08**
Other comprehensive income for the year (net of tax)	(29.24)	-	-	-	5039.48	**5,010.24**
At March 31, 2017	**6,757.34**	**69.09**	**4,528.55**	**1,477.00**	**5,303.76**	**18,135.74**
Profit for the year	2,921.77	-	-	-		**2,921.77**
Other comprehensive income for the year (net of tax)	30.30	-	-	-	4029.83	**4,060.13**
Total comprehensive income	**9,709.41**	**69.09**	**4,528.55**	**1,477.00**	**9,333.59**	**25,117.64**
Less : Dividend Paid (Refer Note 42)	(640.68)	-	-	-	-	**(640.68)**
At March 31, 2018	**9,068.73**	**69.09**	**4,528.55**	**1,477.00**	**9,333.59**	**24,476.96**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Distributions made and proposed

	As at March 31, 2018	As at March 31, 2017
Cash dividends on equity shares declared and paid		
Final dividend for the year ended on March 31, 2017: Rs 4.70 per share (March 31, 2016: Rs 4.70 per share)	640.68	-
DDT on final dividend	-	-
	640.68	**-**
Proposed dividends on Equity shares *		
Final cash dividend for the year ended on March 31, 2018: INR 10 per share (March 31, 2017: INR 4.70 per share)	1,363.15	640.68
Dividend Distribution Tax on proposed dividend **	46.86	-
	1,410.01	**640.68**

* Proposed dividends on equity shares are subject to approval at the forthcoming annual general meeting and are not recognised as a liability (including DDT thereon) at March 31, 2018.

** Dividend distribution tax on proposed dividend has been shown net of dividend distribution tax credit availed on account of dividend receivable from subsidiaries.

17. Borrowings

a) Details of long term borrowings:

	Effective interest rate	Maturity	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loans					
Term Loan from banks (secured)*	10.25%-10.55%	2018	-	1,250.00	2,500.00
Long term maturities of finance lease obligation					
Vehicle loan from banks (secured)**	8 % -10%	2018-2021	96.47	125.99	132.05
Other loans					
Deferred sales tax loan (unsecured)***	-	2019	3.75	20.85	30.25
Less: current maturity disclosed under other financial liabilities (refer note 20)					
- term loan		2018	-	(1,250.00)	(1,250.00)
- vehicle loan		2018-2019	(60.40)	(61.99)	(65.89)
- deferred sales tax loan		2019	(3.75)	(10.29)	(9.40)
Total borrowings			**36.07**	**74.56**	**1,337.01**
Total current			**64.15**	**1,322.28**	**1,325.29**
Total non -current			**36.07**	**74.56**	**1,337.01**
Aggregate secured loans			96.47	1,375.99	2,632.05
Aggregate unsecured loans			3.75	20.85	30.25

* Indian rupee loan from bank amounting Rs Nil (March 31, 2017 Rs 1,250 Lacs; April 01, 2016 Rs 2,500 Lacs) taken in the financial year 2012-13 carried interest @ 10.25% - 10.55% p.a at present. The loan was repaid in 16 equal quarterly instalments of Rs 312.5 Lacs after fifteen month moratorium period from the disbursement date i.e. from Jan 03, 2013. The loan is secured by extension of charges by way of hypothecation on the plant and machinery alongwith the equitable mortgage (EQM) on land and building, situated at Bangalore.

** Vehicle loan amounting Rs 96.47 Lacs (Previous year Rs 125.99 Lacs; April 01, 2016 Rs 132.05 Lacs) from banks at interest @ 8%-10% are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

*** Deferred sales tax loan amounting to Rs 3.75 Lacs (March 31, 2017: Rs 20.85 Lacs, April 01, 2016: Rs 30.25 Lacs)] is availed by the Company on sales made during the period from financial year (FY) 1999-2000 to 2005-06. The said loan is repayable in tenure of 10 years starting from FY 2010-11 as per the repayment schedule received from sales tax authorities.

b) Details of short term borrowings:

	Effective interest rate	Maturity	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loan repayable On Demand (from financial institution)					
Working capital loan repayable on demand*	8.50%-9.50%	2018	-	2,000.00	-
Total			**-**	**2,000.00**	**-**

* Working capital loan from financial institution is repayable in 90 days from respective drawdown and carries interest ranging between 8.50%-9.50% per annum.

Loan covenants

The Company has satisfied all debt covenants prescribed in the terms of bank loans. The other loans do not carry any debt covenant.

18. Income tax

a) The major components of income tax expense for the years ended March 31, 2018 and March 31, 2017 are:

Statement of profit and loss:

	As at March 31, 2018	As at March 31, 2017
Current income tax:		
Current income tax charge	1,132.22	278.19
Adjustments in respect of current income tax of previous year	(1.08)	(31.61)
Deferred tax :		
Relating to origination and reversal of temporary differences	3.10	(31.73)
Income tax expense reported in the statement of profit or loss	**1,134.24**	**214.85**

b) OCI section

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

	As at March 31, 2018	As at March 31, 2017
Net loss/ (gain) on remeasurements of defined benefit plans	(16.28)	14.45
Gain on financial assets	(202.72)	-
Income tax charged to Other Comprehensive Income	**(219.00)**	**14.45**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

c) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017**

	As at March 31, 2018	As at March 31, 2017
Accounting profit before income tax	4,056.01	753.93
Tax at the Indian Tax Rate of 34.608% (previous year 33.063%)	1,403.70	249.27
Non-deductible expenses for tax purposes:		
Permanent difference	19.98	7.20
Impact of expenditures charged to statement of profit and loss in the current year but allowed for tax purpose on payment basis	(10.73)	43.88
Exempt Income (Dividend Income exempt u/s 10(34))	(302.78)	-
Others	24.07	(85.50)
At the effective income tax rate of 27.95% (March 31, 2017: 28.50%)	**1,134.24**	**214.85**
Income tax expense reported in the statement of profit and loss	**1,134.24**	**214.85**

Deferred tax	Balance sheet			Statement of profit and loss and OCI	
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	For the year ended March 31, 2018	For the year ended March 31, 2017
Deferred tax assets relates to the following :					
Impact of expenditures charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	292.58	188.96	134.87	(103.62)	(54.09)
Impact of allowance for doubtful debts	23.48	11.84	12.39	(11.64)	0.55
Others	-	-	9.55	-	9.55
	316.06	**200.80**	**156.81**	**(115.26)**	**(43.99)**
Deferred tax liability relates to the following :					
Accelerated depreciation for tax purposes	1,162.19	1,027.56	1,029.76	(134.64)	2.19
	1,162.19	**1,027.56**	**1,029.76**	**(134.64)**	**2.19**
Re-measurement gains/ (losses) on defined benefit plans				16.28	(14.45)
Deferred tax expense/ (income) charged to statement profit and loss				3.10	(31.73)
Deferred Gain on financial assets	202.72	-	-	202.72	-
Deferred tax expense/ (income) charged to OCI and Profit and loss				**222.10**	**(46.18)**
Total deferred tax liability (Net)	**1,048.85**	**826.76**	**872.95**		

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

19. Trade payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A. Trade payables			
- Trade payables (refer Note 46)	12,166.01	5,566.41	7,089.12
- Related parties (refer Note 40)	5,584.08	2,607.44	3,130.13
B. Other payables			
- Other payables	1,067.82	647.18	598.67
Total	**18,817.91**	**8,821.03**	**10,817.92**

Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

20. Other financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other financial liabilities at amortised cost			
Current			
Current maturity of long term loan (refer note 17)	3.75	1,260.29	1,259.40
Current maturity of vehicle loan (refer note 17)	60.40	61.99	65.89
Amount payable for property, plant and equipment	795.03	38.16	248.74
Accrued salaries	1,170.07	972.74	539.92
Unsecured deposits from customers	427.09	427.92	381.06
Unpaid dividends *	12.15	9.52	11.31
Total	**2,468.49**	**2,770.62**	**2,506.32**
Total current	**2,468.49**	**2,770.62**	**2,506.32**
Total non- current	-	-	-

Breakup of financial liabilities at amortised cost:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	18,817.91	8,821.03	10,817.92
Borrowings non current	36.07	74.56	1,337.01
Borrowings current	-	2,000.00	-
Current maturity of long term loan	64.15	1,322.28	1,325.29
Unsecured deposits from customers	427.09	427.92	381.06
Unpaid dividends	12.15	9.52	11.31
Accrued salaries	1,170.07	972.74	539.92
Amount payable for property, plant and equipment	795.03	38.16	248.74
Total financial liabilities carried at amortised cost	**21,322.47**	**13,666.21**	**14,661.25**

* Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. Accordingly, the Company has transferred Rs 1.20 Lacs during the current year (March 31, 2017; Rs 1.79 Lacs, April 1, 2016; 0.43 Lacs) to the Investor Education and Protection Fund.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

21. Provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Provision for employee benefits			
Provision for gratuity	232.90	204.71	100.28
Provision for compensated absences	116.37	112.22	39.90
Other provisions			
Provision for tax on proposed equity dividend	-	-	15.11
Total	**349.27**	**316.93**	**155.29**
Current	**349.27**	**316.93**	**155.29**
Non-Current	**-**	**-**	**-**

22. Other liabilities

Details of other liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Statutory dues	724.93	324.52	320.52
Advance from customers	-	202.70	186.54
Other liabilities (net)*	1,467.99	595.85	646.16
Total	**2,192.92**	**1,123.07**	**1,153.22**
Current	**2,192.92**	**1,123.07**	**1,153.22**
Non-current	**-**	**-**	**-**

* Other liabilities (net) represents amount towards rate difference payable to customers, net off amounts receivable from customers in respect of price increase not yet debited.

23. Revenue from operations

The details of revenue from operations is as follows:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of products		
Finished goods	43,072.84	33,801.35
Traded goods	17,030.97	18,046.01
Total sale of products (A)	**60,103.81**	**51,847.36**
Other operating revenue:		
Scrap sale	28.46	41.24
Mould and tool sale	618.50	261.06
Total other operating revenue (B)	**646.96**	**302.30**
Revenue from operations (A+B)	**60,750.77**	**52,149.66**

Sale of goods includes excise duty collected from customers of Rs 1157.49 Lacs (March 31, 2017: Rs 4076.48 Lacs.)

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Post applicability of Goods and Services Tax (GST) w.e.f. July 01, 2017, Revenue from Operations are required to be disclosed net of GST in accordance with the requirement of Ind AS. Accordingly, the Revenue from Operations for the year ended March 31, 2018 are not comparable with the immediately preceding quarter ended / year ended March 31, 2017 and corresponding previous periods presented in the financial results which are reported inclusive of Excise Duty. The following additional information is being provided to facilitate such understanding :

(Amount in Rs Lacs, unless otherwise stated)

		For the year ended March 31, 2018	For the year ended March 31, 2017
A.	Revenue from operations	60,750.77	52,149.66
B.	Excise duty	1,157.49	4,076.48
C.	Revenue from operations excluding excise duty (A-B)	**59,593.28**	**48,073.18**

24. Other income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Other non-operating income		
Interest income		
- On fixed deposits	13.74	7.83
- Others	6.78	3.66
Discount received	68.42	11.16
Liabilities no longer required written back	92.26	42.64
Miscellaneous income	226.85	162.37
Rental Income	216.53	142.99
Dividend Income	874.89	-
Net gain on foreign currency transaction and translation	-	16.89
Total	**1,499.47**	**387.54**

25. Cost of raw materials and components consumed

	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventory at the beginning of the year	1,053.58	982.12
Add: Purchases	30,017.25	20,398.66
Less: Inventory at the end of the year	(2,212.71)	(1,053.58)
Cost of raw materials and components consumed	**28,858.12**	**20,327.20**

26. Cost of moulds consumed

	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventory at the beginning of the year	26.15	-
Add: Purchases made during the year	514.48	235.25
Less: Inventory at the end of the year	(0.52)	(26.15)
Cost of moulds consumed	**540.11**	**209.10**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

27. (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods

	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening stock		
- Finished goods	275.12	224.36
-Traded Goods	1,061.08	1,603.15
- Work-in progress	165.96	184.30
Total (A)	**1,502.16**	**2,011.81**
Closing stock		
- Finished goods	408.01	275.12
-Traded Goods	1,342.35	1,061.08
- Work-in progress	271.23	165.96
Total (B)	**2,021.59**	**1,502.16**
Changes in inventories of finished goods		
- Finished goods	(132.89)	(50.76)
-Traded Goods	(281.27)	542.07
- Work-in progress	(105.27)	18.34
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)	**(519.43)**	**509.65**

28. Employee benefits expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages and bonus	5,243.53	4,739.61
Contributions to provident and other funds	210.35	227.15
Gratuity expense (note 37)	75.24	60.42
Staff welfare expense	131.17	132.59
Total	**5,660.29**	**5,159.77**

29. Finance costs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on term loans	50.24	180.76
Interest on working capital	95.44	72.93
Interest paid to others	123.77	100.95
Total	**269.45**	**354.64**

30. Depreciation and amortization expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of tangible assets (note 3)	1,296.40	1,245.97
Amortization of intangible assets (note 4)	36.23	62.40
Total	**1,332.63**	**1,308.37**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

31. Other expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Freight and forwarding charges	1,292.51	1,230.20
Job-work charges	1,539.64	954.94
Power and fuel	817.49	630.70
Consumables	462.21	363.47
Travelling and conveyance	389.13	393.84
Packing material consumed	408.45	313.46
Rent	319.51	354.19
Legal and professional fees	223.78	477.84
Repairs and maintenance		
- Plant and machinery	594.51	321.59
- Building	72.13	30.62
- Others	65.00	64.13
Communication cost	61.90	64.80
Rates and taxes	64.93	85.39
Payment to auditors (refer detail below)*	46.04	38.07
Insurance	42.62	43.66
CSR expenditure (refer details below)**	40.66	38.70
Printing and stationery	39.51	32.75
Advertisement and sales promotion	31.46	21.62
Director's sitting fees	9.00	11.20
Management fees	788.46	377.35
Increase of excise duty on inventory	(21.09)	(2.06)
Loss on sales of Property plant, equipment's (net)	14.92	4.46
Exchange difference (net)	16.97	-
Provision for doubtful debts and advances	30.51	7.44
Miscellaneous expenses	676.31	484.25
Total	**8,026.56**	**6,342.61**

*** Payment made to auditors is as follows:**

	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditor:		
- Audit fee	29.00	25.00
- Limited review	10.50	10.50
- Tax audit fee	1.50	1.50
In other capacity		
- Reimbursement of expenses	5.04	1.07
Total	**46.04**	**38.07**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

**** Details of CSR expenditure:**

	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Gross amount required to be spent by the group during the year	40.53	50.61
(b) Amount spent during the year:		
i) Construction/acquisition of any asset		
ii) On purposes other than (i) above		
In cash	40.66	38.70
Total	**40.66**	**38.70**

32. Exceptional item

	For the year ended March 31, 2018	For the year ended March 31, 2017
Employee separation cost	227.50	322.41
Total	**227.50**	**322.41**

Exceptional loss represents an estimated provision, the Company has made on a conservative basis to meet any possible liability arising out of employee severance compensation in respect of the closure of one of the units of the Company in the earlier year.

33. Components of Other Comprehensive Income (OCI)

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

Particulars	Retained earnings	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Re-measurement gains/ (losses) on defined benefit plans	46.58	(43.69)
Deferred tax thereon	(16.28)	14.45
Gain on FVTOCI equity securities	4,232.55	5,039.48
Deferred tax thereon	(202.72)	-
	4,060.13	**5,010.24**

34. Earnings per share (EPS)

a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit attributable to the equity holders of the Company	2,921.77	539.08
Weighted average number of equity shares for basic and diluted EPS (in Lacs)	136.32	136.32
Basic and diluted earnings per share (face value Rs 10 per share)	21.43	3.96

d) There has not been any transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements except stated in note 15 to the financial statement.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

35. Group information

Information about subsidiaries and Joint Venture

The consolidated financial statements of the Group includes subsidiaries and Joint venture listed in the table below:

(Amount in Rs Lacs, unless otherwise stated)

Name	Relationship	Principal activities	Country of incorporation	% Equity interest March 31, 2018	March 31, 2017	April 1, 2016
Lumax DK Auto Industries Limited	Subsidiary	Manufacturing of Automobile Components	India	100%	100%	100%
Lumax Mannoh Allied Technologies Limited	Subsidiary	Manufacturing of Automobile Components	India	55%	55%	55%
Lumax Integrated Ventures Private Limited	Subsidiary	Investment Company	India	100%	100%	100%
Lumax Management Services Private Limited	Subsidiary	Service provider	India	100%	100%	-
Lumax Cornaglia Auto Technologies Private Limited	Subsidiary	Manufacturing of Automobile Components	India	50%	50%	50%
Lumax Gill - Austem Auto Technologies Private Limited	Joint Venture	Manufacturing of Automobile Components	India	50%	50%	50%

36. Material partly-owned subsidiaries

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

Proportion of equity interest held by non-controlling interests:

Name	Principal activities	Country of incorporation	% Equity interest held by non-controlling parties As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Lumax Mannoh Allied Technologies Limited	Automobile Components	India	45%	45%	45%
Lumax Cornaglia Auto Technologies Private Limited	Automobile Components	India	50%	50%	50%

37. Gratuity and other post-employment benefit plans

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

a) During the year, the Company has recognized the following amounts in the statement of profit and loss :

Defined contribution plans

	As at March 31, 2018	As at March 31, 2017
Employer's contribution to providend fund	189.53	201.42
Employer's contribution to employee state insurance	20.82	25.73

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

b) Defined Benefit Obligation

The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	As at March 31, 2018 Gratuity	As at March 31, 2017 Gratuity
Cost for the year included under employee benefit		
Current service cost	65.45	55.22
Past service cost	5.49	-
Interest cost	13.80	5.20
Transfer in /out	(9.50)	-
Net benefit expense	**75.24**	**60.42**

c) Amounts recognised in statement of other comprehensive income (OCI)

	As at March 31, 2018 Gratuity	As at March 31, 2017 Gratuity
Amounts recognised in statement of other comprehensive income (OCI)		
Opening amount recognised in OCI outside statement of profit and loss		
Remeasurement for the year - Obligation (Gain) / Loss	44.54	(39.74)
Remeasurement for the year - Plan Assets (Gain) / Loss	2.04	(3.95)
Total remeasurement Cost / (Credit) for the year recognised in OCI	46.58	(43.69)
Closing amount recognised in OCI outside statement of profit and loss	46.58	(43.69)

d) Mortality table

	As at March 31, 2018 Gratuity	As at March 31, 2017 Gratuity
Mortality table	IALM(2006-08) ult	IALM(2006-08) ult
Economic assumptions		
1 Discount rate	7.6%	7%
2 Rate of increase in compensation levels	7%	7%
3 Rate of return on plan assets	7%	7.6%
Demographic assumptions		
1 Expected average remaining working lives of employees (years)	9.59	9.65
2 Retirement Age (years)	58 years	58 years
3 Mortality Rate	Indian Assured Lives Mortality (2006-08) (modified) ultimate	
Withdrawal Rate		
1 unto 30 years	8%	8%
2 Ages from 31-40	8%	8%
3 Ages from 41-50	8%	8%
4 Above 50 years	8%	8%

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

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

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

i. Gratuity

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Benefit obligation as at the beginning of the year	471.02	499.14	452.88
Transfer in/(out)	(9.40)	-	-
Current service cost	70.94	55.22	57.58
Interest cost	31.15	34.27	34.83
Benefit paid	(48.81)	(35.56)	(12.80)
Settlement cost	-	(121.79)	-
Actuarial loss/(gain)	(44.54)	39.74	(33.35)
Gross / liability	**470.36**	**471.02**	**499.14**

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

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Opening fair value of plan assets	266.31	398.86	340.78
Transfer in/(out)	(11.65)	-	-
Expected return on plan assets	17.35	28.97	30.19
Contribution made during the year	3.19	2.80	41.56
Benefits paid	(36.25)	(35.56)	(12.80)
Morality charges	(3.53)	(3.12)	-
Amount paid on settlement	-	(121.80)	-
Actuarial gain on plan assets	2.04	(3.84)	(0.87)
Closing fair Value Of Plan asset	**237.46**	**266.31**	**398.86**

g) Benefit asset / liability :

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Present value of defined benefit obligation	470.36	471.02	499.14
Fair value of plan assets	237.46	266.31	398.86
Net (assets) / liability	**232.90**	**204.71**	**100.28**

h) Major category of plan assets (As a % of total plan assets)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment with the insurer	100%	100%	100%

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

i) A quantitative sensitivity analysis for significant assumption as at March 31, 2018 and March 31, 2017 is as shown below:

(Amount in Rs Lacs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
	Gratuity	Gratuity
A. Discount rate		
Effect on DBO due to 1% increase in Discount Rate	442.14	441.15
Effect on DBO due to 1% decrease in Discount Rate	502.16	504.82
B. Salary escalation rate		
Effect on DBO due to 1% increase in Salary Escalation Rate	497.47	498.65
Effect on DBO due to 1% decrease in Salary Escalation Rate	445.76	445.94
C. Withdrawal rate		
Effect on DBO due to 1% increase in Withdrawal rate	471.40	471.45
Effect on DBO due to 1% decrease in Withdrawal rate	469.21	470.53

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

	As at March 31, 2018	As at March 31, 2017
March 31, 2018	-	65.48
March 31, 2019	70.19	52.97
March 31, 2020	48.14	51.10
March 31, 2021	68.48	69.28
March 31, 2022	73.99	76.26
March 31, 2023	73.60	-
March 31, 2023 to March 31, 2027	-	375.73
March 31, 2024 to March 31, 2028	395.46	-

38. Commitments and contingencies

a) Capital and other commitments

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

Capital commitments are Rs 788.23 Lacs (March 31, 2017: Rs 21.84 Lacs April 1, 2016: Rs 215.19 Lacs), net of advances.

(2) Commitments relating to lease arrangements

Operating lease commitments - Company as lessee

The total rent expense under these agreements during the year ended March 31, 2018 is 319.51 Lacs ; March 31, 2017: Rs 354.19 Lacs)

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

39. Contingent liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Claims against the group not acknowledged as debts			
Company has received assessment order from Maharashtra Value Added Tax department in the current year towards dis-allowance of Input Tax Credit availed by Company alongwith interest and penalty for Financial Year 2013-14, amounting to Rs 88.02 Lacs. The Company is in process of filing an appeal against the said order with appropriate authorities.	88.02	-	-
In respect of assessment year ("A.Y.") 2010 - 11, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 amounting to Rs 4.35 Lacs against which demand raised against the same amounting to Rs 1.18 Lacs. The Company has preferred an appeal with Commissioner of Income Tax (Appeals) "(CIT(A))" against the same and got short relief of Rs 2.94 Lacs. For the remaining tax demand Company has preferred an appeal with ITAT in the current year.	1.00	1.18	1.18
In respect of A.Y. 2012 - 13, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to Rs 11.85 Lacs against which demand raised for tax amounting Rs 3.85 Lacs. The Company has preferred an appeal with CIT(A) against the same. The Company has preferred an appeal with ITAT against order of CIT(A) but no relief is allowed to the Company till date.	3.85	3.85	3.85
In respect of A.Y. 2013 - 14, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to Rs 11.31 Lacs against which demand raised for tax amounting Rs 3.84 Lacs. The Company had preferred an appeal with CIT(A). During the previous year CIT(A) has been allowed in favour of Company by CIT(A) vide their letter dated February 7, 2017.	-	-	3.84
Deputy Commissioner (Central Excise) had raised a demand in respect of reversal of CENVAT pertaining to exempted services relating to the period from October 2008 to July 2013. The Company had filed the appeal with Commissioner (Appeals) in earlier years and Commissioner (Appeals) has allowed the said appeal in previous year and passed the order in favour of Company vide letter dated June 28, 2016.	-	-	10.42
Deputy Commissioner (Central Excise) had raised a demand in respect of reversal of CENVAT of 6% pertaining to trading activities relating to the period from May 2014 to September 2015. The Company had filed the appeal with Commissioner (Appeals) and Commissioner Appeals has allowed the said appeal in previous year and passed the order in favour of company vide letter dated July 14, 2016.	-	-	0.93

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

40. Related Party Disclosure

Names of related parties and related party relationship

S.No.	Relationship	Name of Related Parties
1	Subsidiary Companies	Lumax DK Auto Industries Limited ("LDK")
		Lumax Mannoh Allied Technologies Private Limited ("LMAT")
		Lumax Integrated Ventures Private Limited ("LIV")
		Lumax Management Services Private Limited ("LMS")
		Lumax Cornaglia Auto Technologies Private Limited ("LCAT")
2	Joint Venture	Lumax Gill Austem Auto Technologies Private Limited ("LGAT")
3	Step down subsidiary companies (subsidiary of "LIV")	Lumax Energy Solutions Private Limited ("LESPL")
		Velomax Mobility Private Limited
4	Associate of subsidiary (Associate of "LIV")	Lumax Sipal Engineering Private Limited
5	Key Management Personnel	Mr. D K Jain (Chairman)
		Mr. Anmol Jain (Managing Director)
		Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year
		Mr. Ashish Dubey (Chief Financial Officer)
		Ms. Swapnal Patane (Company Secretary)
6	Relatives of Key Management Personnel	Mr. Deepak Jain (Son of Mr. D.K. Jain, Brother of Mr. Anmol Jain)
		Mrs. Shivani Jain (Wife of Mr. Anmol Jain)
		Mrs. Usha Jain (Wife of Mr.D.K.Jain)
7	Enterprises owned or significantly influenced by Key Management Personnel and / or their relatives	Lumax Industries Limited
		Lumax Finance Private Limited
		Lumax Ancillary Limited
		Mahavir Udyog
		D. K. Jain & Sons (HUF)
		Bharat Enterprises
		D K Jain & Family Trust
		Lumax Tours & Travels Limited
		Lumax Charitable Foundation

DK JAIN GROUP

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
TRANSACTIONS										
Sale of Raw Materials and Components (Inclusive of taxes)										
Lumax DK Auto Industries Ltd	25.97	16.32	-	-	-	-	-	-	25.97	16.32
Lumax Industries Ltd	-	-	-	-	59.95	30.34	-	-	59.95	30.34
Lumax Ancillary Ltd	-	-	-	-	83.73	204.52	-	-	83.73	204.52
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-	-	-	-	-	24.00	236.62	24.00	236.62
Total	25.97	16.32	-	-	143.68	234.86	24.00	236.62	193.65	487.80
Sale of Finished Goods (Inclusive of taxes)										
Lumax DK Auto Industries Ltd	866.11	900.20	-	-	-	-	-	-	866.11	900.20
Lumax Industries Ltd	-	-	-	-	12,459.95	4,423.03	-	-	12,459.95	4,423.03
Lumax Ancillary Ltd	-	-	-	-	300.98	230.44	-	-	300.98	230.44
Lumax Mannoh Allied Technologies Ltd	-	5.25	-	-	-	-	-	-	-	5.25
Lumax Energy Solutions Pvt.Ltd.	7.54	82.06	-	-	-	-	-	-	7.54	82.06
Total	873.65	987.51	-	-	12,760.93	4,653.47	-	-	13,634.58	5,640.98
Rent Received										
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-	-	-	-	-	242.80	161.60	242.80	161.60
Lumax Mannoh Allied Technologies Ltd	-	2.21	-	-	-	-	-	-	-	2.21
Lumax Energy Solutions Pvt.Ltd.	5.91	-	-	-	-	-	-	-	5.91	-
Lumax Tours & Travels Ltd	-	-	-	-	2.81	-	-	-	2.81	-
Lumax DK Auto Industries Ltd	5.16	-	-	-	-	-	-	-	5.16	-
Total	11.07	2.21	-	-	2.81	-	242.80	161.60	256.68	163.81
Purchases of Raw Materials and Components										
Lumax DK Auto Industries Ltd	48.77	29.79	-	-	-	-	-	-	48.77	29.79
Bharat Enterprises	-	-	-	-	131.69	121.95	-	-	131.69	121.95
Lumax Industries Ltd	-	-	-	-	2,880.15	469.02	-	-	2,880.15	469.02
Lumax Ancillary Ltd	-	-	-	-	3,272.49	2,954.82	-	-	3,272.49	2,954.82
Lumax Mannoh Allied Technologies Ltd	-	0.04	-	-	-	-	-	-	-	0.04
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-	-	-	-	-	6.21	-	6.21	-
Lumax Energy Solutions Pvt.Ltd.	2.86	1.50	-	-	-	-	-	-	2.86	1.50
Mahavir Udyog	-	-	-	-	34.68	8.47	-	-	34.68	8.47
Total	51.63	31.33	-	-	6,319.01	3,554.25	6.21	-	6,376.85	3,585.59
Purchases of Finished Goods (Inclusive of taxes)										
Lumax DK Auto Industries Ltd	105.85	169.28	-	-	-	-	-	-	105.85	169.28
Bharat Enterprises	-	-	-	-	-	3.79	-	-	-	3.79
Lumax Energy Solutions Pvt.Ltd.	-	0.15	-	-	-	-	-	-	-	0.15
Lumax Cornaglia Auto Technologies Pvt Ltd	3.80	-	-	-	-	-	-	-	3.80	-
Lumax Industries Ltd	-	-	-	-	5,278.08	4,248.75	-	-	5,278.08	4,248.75
Lumax Ancillary Ltd	-	-	-	-	783.60	490.39	-	-	783.60	490.39
Total	109.65	169.43	-	-	6,061.68	4,742.93	-	-	6,171.33	4,912.36

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(Amount in Rs Lacs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Others (Net of Income/(Expenditure))										
Lumax Dk Auto Industries Ltd	3.20	25.29	-	-	-	-	-	-	3.20	25.29
Lumax Industries Ltd	-	-	-	-	55.22	13.61	-	-	55.22	13.61
Lumax Ancillary Ltd	-	-	-	-	0.78	0.55	-	-	0.78	0.55
Lumax Energy Solutions Pvt.Ltd.	3.60	7.22	-	-	-	-	-	-	3.60	7.22
Lumax Mannoh Allied Technologies Ltd	0.04	0.27	-	-	-	-	-	-	0.04	0.27
Lumax Management Services Pvt. Ltd	-	0.03	-	-	-	-	-	-	-	0.03
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-	-	-	-	-	22.59	9.15	22.59	9.15
Mahavir Udyog	-	-	-		-	0.02	-	-	-	0.02
Lumax Tours & Travels Ltd	-	-	-	-	1.72	-	-	-	1.72	-
Lumax Cornaglia Auto Technologies Pvt Ltd	0.92	-	-	-	-	-	-	-	0.92	-
Total	**7.76**	**32.81**	**-**	**-**	**57.72**	**14.18**	**22.59**	**9.15**	**88.07**	**56.14**
Availling of Services										
Lumax Industries Ltd	-	-	-	-	-	6.75	-	-	-	6.75
Lumax Tours & Travels Ltd	-	-	-	-	127.82	110.28	-	-	127.82	110.28
Lumax Management Services Pvt. Ltd	944.00	755.32	-	-	-	-	-	-	944.00	755.32
Total	**944.00**	**755.32**	**-**	**-**	**127.82**	**117.03**	**-**	**-**	**1,071.82**	**872.35**
Rendering of Services										
Lumax Ancillary Ltd	-	-	-	-	-	1.44	-	-	-	1.44
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-	-	-	-	-	470.79	304.50	470.79	304.50
Lumax Mannoh Allied Technologies Ltd	-	2.74	-	-	-	-	-	-	-	2.74
Lumax Energy Solutions Pvt.Ltd.	1.89	-	-	-	-	-	-	-	1.89	-
Lumax Dk Auto Industries Ltd	1.74	-	-	-	-	-	-	-	1.74	-
Lumax Tours & Travels Ltd	-	-	-	-	1.58	-	-	-	1.58	-
Total	**3.63**	**2.74**	**-**	**-**	**1.58**	**1.44**	**470.79**	**304.50**	**476.00**	**308.68**
Sale of Capital Goods		-								
Lumax DK Auto Industries Ltd	0.10	-	-	-	-	-	-	-	0.10	-
Lumax Industries Ltd	-	-	-	-	42.74	0.66	-	-	42.74	0.66
Lumax Ancillary Ltd	-	-	-	-	7.48	-	-	-	7.48	-
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-	-	-	-	-	-	442.24	-	442.24
Total	**0.10**	**-**	**-**	**-**	**50.22**	**0.66**	**-**	**442.24**	**50.32**	**442.90**

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(Amount in Rs Lacs, unless otherwise stated)

	Subsidiary and Step down subsidiary		Key Management Personnel and Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Purchase of Capital Goods										
Lumax Dk Auto Industries Ltd	109.15	-	-	-	-	-	-	-	109.15	-
Lumax Industries Ltd	-	-	-	-	29.98	-	-	-	29.98	-
Total	**109.15**	**-**	**-**	**-**	**29.98**	**-**	**-**	**-**	**139.13**	**-**
Rent Expense										
Mrs. Usha Jain	-	-	29.39	24.69	-	-	-	-	29.39	24.69
Lumax Industries Ltd	-	-	-	-	-	66.00	-	-	-	66.00
Lumax DK Auto Industries Ltd	-	18.20	-	-	-	-	-	-	-	18.20
Total	**-**	**18.20**	**29.39**	**24.69**	**-**	**66.00**	**-**	**-**	**29.39**	**108.89**
CSR Expenditure										
Lumax Charitable Foundation	-	-	-	-	40.66	38.70	-	-	40.66	38.70
Total	**-**	**-**	**-**	**-**	**40.66**	**38.70**	**-**	**-**	**40.66**	**38.70**
Managerial Remuneration										
Mr. Anmol Jain	-	-	118.59	120.32	-	-	-	-	118.59	120.32
Mr. D.K.Jain	-	-	122.74	113.55	-	-	-	-	122.74	113.55
Total	**-**	**-**	**241.33**	**233.87**	**-**	**-**	**-**	**-**	**241.33**	**233.87**
Commission Paid										
Mr. Anmol Jain	-	-	111.00	-	-	-	-	-	111.00	-
Mr. D.K.Jain	-	-	91.65	-	-	-	-	-	91.65	-
Mr. Deepak Jain	-	-	45.97	9.50	-	-	-	-	45.97	9.50
Total	**-**	**-**	**248.62**	**9.50**	**-**	**-**	**-**	**-**	**248.62**	**9.50**
Dividend Paid										
Mr. Anmol Jain	-	-	40.53	-	-	-	-	-	40.53	-
Mr. D.K.Jain	-	-	77.80	-	-	-	-	-	77.80	-
Mr. Deepak Jain	-	-	42.99	-	-	-	-	-	42.99	-
Mrs. Usha Jain	-	-	21.79	-	-	-	-	-	21.79	-
Mrs. Shivani Jain	-	-	2.12	-	-	-	-	-	2.12	-
D.K.Jain And Family Trust	-	-	-	-	1.92	-	-	-	1.92	-
D.K.Jain And Sons (HUF)	-	-	-	-	55.51	-	-	-	55.51	-
Lumax Finance Pvt. Ltd.	-	-	-	-	113.85	-	-	-	113.85	-
Total	**-**	**-**	**185.23**	**-**	**171.28**	**-**	**-**	**-**	**356.51**	**-**
Dividend Received										
Lumax Industries Ltd	-	-	-	-	76.13	-	-	-	76.13	-
Lumax DK Auto Industries Ltd	636.05	-	-	-	-	-	-	-	636.05	-
Lumax Mannoh Allied Technologies Ltd	162.71	-	-	-	-	-	-	-	162.71	-
Total	**798.76**	**-**	**-**	**-**	**76.13**	**-**	**-**	**-**	**874.89**	**-**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	Subsidiary and Step down subsidiary and joint venture of step down subsidiary			Key Management Personnel and Relatives of Key Management Personnel			Enterprises owned or significantly influenced by Key Management Personnel or their relatives			Joint Venture			Total		
	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016	March 31, 2018	March 31, 2017	April 01, 2016
BALANCE AT THE YEAR END															
Receivables															
Mahavir Udyog	-	-	-	-	-	-	-	0.02	-	-	-	-	-	0.02	-
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-	-	-	-	-	-	-		70.86	66.49	76.02	70.86	66.49	76.02
Lumax Industries Ltd	-	-	-	-	-	-	5,397.77	1,715.50	1,258.56	-	-	-	5,397.77	1,715.50	1,258.56
Lumax DK Auto Industries Ltd	61.67	178.30	237.23	-	-	-	-	-		-	-	-	61.67	178.30	237.23
Lumax Ancillary Ltd	-	-	-	-	-	-	109.55	98.52	124.22	-	-	-	109.55	98.52	124.22
Lumax Energy Solutions Pvt.Ltd.	151.36	240.76	168.37	-	-	-	-	-		-	-	-	151.36	240.76	168.37
Lumax Tours & Travels Ltd	-	-	-	-	-	-	1.45	-	12.53	-	-	-	1.45	-	12.53
Lumax Mannoh Allied Technologies Ltd	-	-	0.37	-	-	-	-	-	-	-	-	-	-	-	0.37
Total	**213.03**	**419.06**	**405.97**	**-**	**-**	**-**	**5,508.78**	**1,814.04**	**1,395.31**	**70.86**	**66.49**	**76.02**	**5,792.68**	**2,299.59**	**1,877.30**
Investment															
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-		-	-	-	-	-		418.80	418.80	218.80	418.80	418.80	218.80
Lumax Mannoh Allied Technologies Ltd	2.51	2.51	2.51	-	-	-	-	-		-	-	-	2.51	2.51	2.51
Lumax Industries Ltd	-	-		-	-	-	11,474.14	7,241.60	2,202.11	-	-	-	11,474.14	7,241.60	2,202.11
Lumax DK Auto Industries Ltd	123.66	123.66	123.66	-	-	-	-	-	-	-	-	-	123.66	123.66	123.66
Lumax Cornaglia Auto Technologies Pvt Ltd	590.71	590.71	564.71	-	-	-	-	-	-	-	-	-	590.71	590.71	564.71
Lumax Management Services Pvt. Ltd	413.35	413.35	-	-	-	-	-	-	-	-	-	-	413.35	413.35	-
Lumax integrated ventures pvt.ltd.	81.89	51.29	10.49	-	-	-	-	-	-	-	-	-	81.89	51.29	10.49
Total	**1,212.12**	**1,181.52**	**701.37**	**-**	**-**	**-**	11,474.14	**7,241.60**	**2,202.11**	**418.80**	**418.80**	**218.80**	**13,105.06**	**8,841.92**	**3,122.28**
Total (receivables)	**1,425.15**	**1,600.57**	**1,107.34**	**-**	**-**	**-**	**16,982.92**	**9,055.64**	**3,597.42**	**489.66**	**485.29**	**294.82**	**18,897.74**	**11,141.51**	**4,999.58**
Payables															
Bharat Enterprises	-	-	-	-	-	-	36.02	25.89	37.65	-	-	-	36.02	25.89	37.65
Lumax Ancillary Ltd	-	-		-	-	-	1,344.52	923.11	1,111.61	-	-	-	1,344.52	923.11	1,111.61
Lumax Gill-Austem Auto Technologies Pvt. Ltd	-	-		-	-	-	-	-		3.32	-	-	3.32	-	-
Lumax DK Auto Industries Ltd	91.48	55.11	137.84	-	-	-	-	-		-	-	-	91.48	55.11	137.84
Lumax Industries Ltd	-	-		-	-	-	3,502.06	1,534.25	1,762.26	-	-	-	3,502.06	1,534.25	1,762.26
Lumax Tours & Travels Ltd	-	-		-	-	-	8.83	11.44		-	-	-	8.83	11.44	-
Lumax Mannoh Allied Technologies Ltd	-	0.18	0.54	-	-	-	-	-		-	-	-	-	0.18	0.54
Mahavir Udyog	-	-		-	-	-	21.17	5.37	0.99	-	-	-	21.17	5.37	0.99
Lumax Cornaglia Auto Technologies Pvt Ltd	2.86	-		-	-	-	-	-		-	-	-	2.86	-	-
Lumax Management Services Pvt. Ltd	320.82	33.12	19.19	-	-	-	-	-		-	-	-	320.82	33.12	19.19
Lumax Energy Solutions Pvt.Ltd.	0.85	9.48	3.61	-	-	-	-	-		-	-	-	0.85	9.48	3.61
Mr. Anmol Jain	-	-		111.00	-	4.35	-	-		-	-	-	111.00	-	4.35
Mr. D.K. Jain	-	-		91.65	-	23.34	-	-		-	-	-	91.65	-	23.34
Mr. Deepak Jain	-	-		45.97	9.50	28.75	-	-		-	-	-	45.97	9.50	28.75
Mrs. Usha Jain	-	-		3.53	-		-	-		-	-	-	3.53	-	-
Total (Payables)	**416.01**	**97.89**	**161.18**	**252.15**	**9.50**	**56.44**	**4,912.60**	**2,500.06**	**2,912.51**	**3.32**	**-**	**-**	**5,584.08**	**2,607.45**	**3,130.13**

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

41. Segment Information

The Company had identified its primary business segment as trading & manufacturing of "Automobile 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.

Geographical segments:

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and presence in international markets is not significant. Its business is accordingly aligned geographically, catering primarily to India.

42. Final Dividend

The Board of Directors of Lumax Auto Technologies Limited has passed the resolution by way of circulation on May 28, 2018 for declaration of final dividend of Rs 10 per equity share (March 31, 2017: Rs 4.70 per share) of face value of Rs 10 each.

43. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, all equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

44. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

a) Fair value of financial assets:

Particulars	Carrying values			Fair values		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial assets measured at fair value (Refer to note 6 and 7)						
Investments in equity instruments of other entities (Valued at fair value through other comprehensive income)*	11,474.14	7,241.60	2,202.11	11,474.14	7,241.60	2,202.11
Financial Instruments where carrying amounts that are reasonable approximations of fair values:						
Trade receivables	16,651.96	8,756.42	9,588.13	16,651.96	8,756.42	9,588.13
Cash and cash equivalents	817.75	1,261.24	785.25	817.75	1,261.24	785.25
Other Bank balances	12.15	16.36	130.24	12.15	16.36	130.24
Deposits with original maturity for more than 12 months from the reporting date	5.00	0.50	17.06	5.00	0.50	17.06

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Particulars	Carrying values			Fair values		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans to employees	44.45	28.56	42.36	44.45	28.56	42.36
Security deposit	173.41	164.17	134.93	173.41	164.17	134.93
Interest accrued but not due	10.01	0.70	22.51	10.01	0.70	22.51
Other recoverables	49.32	13.26	26.53	49.32	13.26	26.53
Total	**29,238.19**	**17,482.81**	**12,949.12**	**29,238.19**	**17,482.81**	**12,949.12**

b) Fair value of financial liabilities:

	Carrying values			Fair values		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial liabilities measured at amortised cost (Refer to note 20)						
Borrowings non current	36.07	74.56	1,337.01	36.07	74.56	1,337.01
Borrowings current	-	2,000.00	-	-	2,000.00	-
Current maturity of long term loan	3.75	1,260.29	1,259.40	3.75	1,260.29	1,259.40
Current maturity of vehicle loan	60.40	61.99	65.89	60.40	61.99	65.89
Trade payables	18,817.91	8,821.03	10,817.92	18,817.91	8,821.03	10,817.92
Accrued Salaries	1,170.07	972.74	539.92	1,170.07	972.74	539.92
Unsecured deposits from customers	427.09	427.92	381.06	427.09	427.92	381.06
Unpaid dividends	12.15	9.52	11.31	12.15	9.52	11.31
Amount payable for property, plant and equipment	795.03	38.16	248.74	795.03	38.16	248.74
Total	**21,322.47**	**13,666.21**	**14,661.25**	**21,322.47**	**13,666.21**	**14,661.25**

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

Management has assessed that remaining financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

45. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

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

a) Quantitative disclosures fair value measurement hierarchy for Financial assets as at March 31, 2018:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value (note 6 and 7)				
Quoted equity shares				
Investments in equity instruments of other entities *(at fair value through other comprehensive income)**	11,474.14	11,474.14	-	-
Others				
Deposits with original maturity for more than 12 months from the reporting date	5.00	-	-	-
Trade receivables	16,651.96	-	-	-
Cash and cash equivalents	817.75			
Other Bank balances	12.15			
Loans to employees	44.45			
Security deposit	173.41	-	-	-
Interest accrued but not due	10.01	-	-	-
Other recoverables	49.32	-	-	-
Total	**29,238.19**	**11,474.14**	**-**	**-**

b) Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at March 31, 2018:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value (note 20)				
Borrowings non current	36.07	-	-	-
Current maturity of long term loan	64.15			
Trade payables	18,817.91	-	-	-
Accrued Salaries	1,170.07			
Unsecured deposits from customers	427.09	-	-	-
Unpaid dividends	12.15	-	-	-
Amount payable for property, plant and equipment	795.03	-	-	-
Total	**21,322.47**	**-**	**-**	**-**

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

c) Quantitative disclosures fair value measurement hierarchy for Financial assets as at March 31, 2017:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value (note 6 and 7)				
Quoted equity shares				
Investments in equity instruments of other entities *(at fair value through other comprehensive income)**	7,241.60	7,241.60	-	-
Others				
Deposits with original maturity for more than 12 months from the reporting date	0.50			
Trade receivables	8,756.42	-	-	-
Cash and cash equivalents	1,261.24	-	-	-
Other bank balance	16.36			
Loans to employees	28.56	-	-	-
Security deposit	164.17	-	-	-
Interest accrued but not due	0.70	-	-	-
Other recoverables	13.26	-	-	-
Total	**17,482.81**	**7,241.60**	**-**	**-**

d) Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at March 31, 2017:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value (note 20)				
Borrowings non current	74.56	-	-	-
Borrowings current	2,000.00	-	-	-
Current maturity of long term loan	1,322.28			
Trade payables	8,821.03	-	-	-
Accrued Salaries	972.74	-	-	-
Unsecured deposits from customers	427.92	-	-	-
Unpaid dividends	9.52	-	-	-
Amount payable for property, plant and equipment	38.16	-	-	-
Total	**13,666.21**	**-**	**-**	**-**

e) Quantitative disclosures fair value measurement hierarchy for Financial assets as at April 01, 2016:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value (note 6 and 7)				
Quoted equity shares				
Investments in equity instruments of other entities *(at fair value through other comprehensive income)*	2,202.11	2,202.11		
Others				
Deposits with original maturity for more than 12 months from the reporting date	17.06	-	-	-
Trade receivables	9,588.13	-	-	-

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	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash and cash equivalents	785.25	-	-	-
Other bank balance	130.24			
Security deposit	134.93	-	-	-
Loans to employees	42.36	-	-	-
Interest accrued but not due on fixed deposits	22.51	-	-	-
Other recoverables	26.53			
Total	**12,949.12**	**2,202.11**	**-**	**-**

f) Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at April 01, 2016:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value (note 20)				
Borrowings non current	1,337.01	-	-	-
Current maturity of long term loan	1,325.29			
Trade payables	10,817.92	-	-	-
Accrued Salaries	539.92	-	-	-
Unsecured deposits from customers	381.06	-	-	-
Unpaid dividends	11.31	-	-	-
Amount payable for property, plant and equipment	248.74	-	-	-
Total	**14,661.25**	**-**	**-**	**-**

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

46. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
Principal amount due to micro and small enterprises	811.63	159.12	728.00
Interest due on above	7.74	17.19	-
	819.37	**176.31**	**728.00**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	17.15	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	7.74	0.04	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-

Notes to Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

47. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables, borrowings, security deposits and payables for property, plant and equipment. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash, fixed deposits and security deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest bearing financial liabilities includes borrowings with fixed interest rates.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Exposure gain/(loss)	March 31, 2018		March 31, 2017	
	Change +1%	Change -1%	Change +1%	Change -1%
Trade Payable	(15.59)	15.59	(5.07)	5.07
Trade Receivable	1.10	(1.10)	0.70	(0.70)

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

iii) Equity Price Risk

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Companies Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was Rs 11,474.14 Lacs. A decrease of 10% on the NSE market index could have an impact of approximately Rs 1147.41 Lacs on the OCI or equity attributable to the Company. An increase of 10% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

i) Trade receivables

Customer credit risk is managed by Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of financial assets (trade receivable) disclosed in Note 7. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Further, the Company's customer base majorly includes Original Equipment Manufacturers (OEMs), Large Corporates and Tier-1 vendors of OEMs. Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts. Hence, no adjustment has been made on account of Expected Credit Loss (ECL) model.

C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	20.73	43.42	36.07	-	**100.22**
Trade and other payables	-	18,817.91	-	-	-	**18,817.91**
Other financial liabilities	-	2,404.34	-	-	-	**2,404.34**
Total	**-**	**21,242.98**	**43.42**	**36.07**	**-**	**21,322.47**

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As at March 31, 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	331.36	2,990.92	74.56	-	**3,396.84**
Trade and other payables	-	8,821.03	-	-	-	**8,821.03**
Other financial liabilities	-	1,448.34		-	-	**1,448.34**
Total	**-**	**10,600.73**	**2,990.92**	**74.56**	**-**	**13,666.21**

As at April 1, 2016	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	317.97	1,007.32	1,337.01	-	**2,662.30**
Trade and other payables	-	10,817.92	-	-	-	**10,817.92**
Other financial liabilities	-	1,181.03		-	-	**1,181.03**
Total	**-**	**12,316.92**	**1,007.32**	**1,337.01**	**-**	**14,661.25**

48. The management has analysed that no significant warranty claim is received by the Company in earlier years against the goods manufactured by the Company and further, the seller of traded goods warrants the Company that products will be free from defects in materials and workmanship under normal use and service and agrees to replace any defective parts under the conditions of standard warranty accompanying the products. Therefore, the Company has not made any provision for warranties and claims in its books of accounts for the year ended March 31, 2018.

49. First time adoption of Ind AS

These financial statements for the year ended March 31, 2018 are the first annual financial statements prepared in accordance with Ind AS. For year up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with the Companies (Indian accounting standard) (Amendment) Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ended March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

a) Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

i. Deemed cost-Previous GAAP carrying amount: (PPE and Intangible) :

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP (Indian GAAP) and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible. Intangible assets are covered by Ind AS 38. Accordingly, the Company has elected to measure all of its property, plant and equipment, capital work in progress, intangible assets and Intangible assets under development at their previous GAAP carrying value.

ii. Investments in subsidiaries and joint ventures

Ind AS 101 permits a first time adopter to measure its investment in subsidiaries, associates and joint venture, at the date of transition, at cost determined in accordance with Ind AS 27 or deemed cost. The deemed cost of such investment

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

shall be it's fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiaries and joint ventures at the previous GAAP carrying amount as its deemed cost on the transition date.

iii. Arrangement contains a lease :

Appendix C to Ind AS 17 requires the first-time adopter to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

b) Estimates

The estimates at April 01, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP apart from the following items where application of Indian GAAP did not require estimation:

i. Investment in equity instruments carried at Fair Value Through Other Comprehensive Income (FVTOCI); and

ii. Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at April 01, 2016, the date of transition to Ind AS and as of March 31, 2017.

c) Reconciliation of equity as at April 01, 2016 (date of transition to Ind AS)

Particulars	Footnotes	Previous Indian GAAP (regrouped)	Ind AS adjustments	Ind AS
I ASSETS				
(1) Non-current assets				
Property, plant and equipment		11,516.96	-	11,516.96
Capital work in progress		298.64	-	298.64
Intangible assets		112.50	-	112.50
Investment in a subsidiary and a Joint venture		920.17	-	920.17
Financial assets				
- Investments	1	1,937.84	264.28	2,202.12
- Other financial assets		151.99	-	151.99
Other non- current assets		1,265.48	-	1,265.48
Total Non- current Assets		**16,203.58**	**264.28**	**16,467.86**
(2) Current assets				
Inventories		3,103.79	-	3,103.79
Financial assets				
- Loans		42.36	-	42.36
- Trade receivables		9,588.13	-	9,588.13
- Cash and cash equivalents		785.25	-	785.25
- Other bank balances		130.24	-	130.24
- Others financial assets		49.04	-	49.04
Other current assets		645.83	-	645.83
Total Current Assets		**14,344.64**	**-**	**14,344.64**
Total Assets		**30,548.22**	**264.28**	**30,812.50**

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(Amount in Rs Lacs, unless otherwise stated)

Particulars	Footnotes	Previous Indian GAAP (regrouped)	Ind AS adjustments	Ind AS
II. EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,363.15	-	1,363.15
Other equity	1,3,4	12,322.13	264.28	12,586.42
Total Equity		**13,685.29**	**264.28**	**13,949.57**
Non- current liabilities				
Financial liabilities				
-Borrowings		1,337.01	-	1,337.01
Deferred tax liabilities (net)		872.95	-	872.95
Total non- current liabilities		**2,209.96**	**-**	**2,209.96**
Current liabilities				
Financial liabilities				
- Trade payables		10,817.92	-	10,817.92
- Other financial liabilities		2,506.32	-	2,506.32
Provisions		155.29	-	155.29
Other current liabilities		1,153.22	-	1,153.22
Current Tax Liabilities (Net)		20.22	-	20.22
Total Current liabilities		**14,652.97**	**-**	**14,652.97**
Total Equity and Liabilities		**30,548.22**	**264.28**	**30,812.50**

d) Reconciliation of equity as at March 31, 2017

Particulars	Footnotes	Previous Indian GAAP (regrouped)	Ind AS adjustments	Ind AS
I ASSETS				
(1) Non-current assets				
Property, plant and equipment		12,114.75	-	12,114.75
Capital work in progress		593.11	-	593.11
Intangible assets		89.06	-	89.06
Investment in a subsidiary and a Joint venture		1,600.32	-	1,600.32
Financial assets				
- Investments	1	1,937.84	5,303.77	7,241.60
- Other financial assets		164.67	-	164.67
Other non- current assets		186.43	-	186.43
Total Non- current Assets		**16,686.18**	**5,303.77**	**21,989.94**
(2)Current assets				
Inventories		2,642.77	-	2,642.77
Financial assets				
- Loans		28.56	-	28.56
- Trade receivables		8,756.42	-	8,756.42
- Cash and cash equivalents		1,261.24	-	1,261.24
- Other bank balances		16.36	-	16.36
- Others financial assets		13.96	-	13.96
Other current assets		613.84	-	613.84
Income tax assets(net)		108.77	-	108.77
Total Current Assets		**13,441.92**	**-**	**13,441.92**
Total Assets		**30,128.10**	**5,303.77**	**35,431.86**

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(Amount in Rs Lacs, unless otherwise stated)

Particulars	Footnotes	Previous Indian GAAP (regrouped)	Ind AS adjustments	Ind AS
II EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,363.15	-	1,363.15
Other equity	1,3,4	12,831.97	5,303.77	18,135.74
Total Equity		**14,195.12**	**5,303.77**	**19,498.89**
LIABILITIES				
Non- current liabilities				
Financial liabilities				
-Borrowings		74.56	-	74.56
Deferred tax liabilities (net)		826.76	-	826.76
		901.32	**-**	**901.32**
Current liabilities				
Financial liabilities				
- Borrowings		2,000.00	-	2,000.00
- Trade payables		8,821.03	-	8,821.03
- Other financial liabilities		2,770.62	-	2,770.62
Provisions		316.93	-	316.93
Other current liabilities		1,123.07	-	1,123.07
Total Current liabilities		**15,031.65**	**-**	**15,031.65**
Total Equity and Liabilities		**30,128.09**	**5,303.77**	**35,431.86**

e) Reconciliation of profit or loss for the year ended March 31, 2017:

Particulars		Footnotes	Previous Indian GAAP (regrouped)	Ind AS adjustments	Ind AS
I	Revenue from operations	2,5	48,580.71	3,568.95	52,149.66
II	Other income		387.54	-	387.54
III	**Total income**		**48,968.25**	**3,568.95**	**52,537.20**
IV	Expenses				
	Cost of raw material, packing material and components consumed		20,327.20	-	20,327.20
	Cost of moulds consumed		209.10	-	209.10
	(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods		509.65	-	509.65
	Purchases of traded goods		13,173.04	-	13,173.04
	Excise duty on sale of goods	2	-	4,076.48	4,076.48
	Employee benefits expense	3	5,203.46	(43.69)	5,159.77
	Finance costs		354.64	-	354.64
	Depreciation and amortization expense		1,308.37	-	1,308.37
	Other expenses	5	6,850.14	(507.53)	6,342.61
V	**Total expenses**		**47,935.60**	**3,525.26**	**51,460.86**
VI	**Profit before exceptional items and tax (III-IV)**		**1,032.65**	**43.69**	**1,076.34**
	Exceptional Items		322.41	-	322.41
VII	**Profit before tax**		**710.24**	**43.69**	**753.93**
VIII	**Tax expense:**				
	Current tax		278.19	-	278.19
	Adjustment of tax relating to earlier years		(31.61)	-	(31.61)
	Deferred tax		(46.18)	14.45	(31.73)
	Total tax expense		**200.40**	**14.45**	**214.85**

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	Particulars	Footnotes	Previous Indian GAAP (regrouped)	Ind AS adjustments	Ind AS
IX	**Profit for the year (VII-VIII)**		**509.84**	**29.24**	**539.08**
X	**OTHER COMPREHENSIVE INCOME**				
	Items that will not to be reclassified to statement of profit or loss				
	Re-measurement gains/ (losses) on defined benefit plans	3	-	(43.69)	(43.69)
	Income tax effect	3	-	14.45	14.45
	Gain on fair value of investment	1	-	5,039.48	5,039.48
	Income tax effect	1			-
	Net comprehensive income not to be reclassified to statement of profit or loss in subsequent periods		**-**	**5,010.24**	**5,010.24**
XI	**Other comprehensive income for the year, net of tax**		**-**	**5,010.24**	**5,010.24**
XII	**Total comprehensive income of the year, net of tax**		**509.84**	**5,039.48**	**5,549.32**
	Earnings per share:				
	1) Basic		3.66		3.96
	2) Diluted		3.66		3.96

f) Footnotes to the reconciliation of equity as at April 01, 2016 and March 31, 2017 and profit or loss for the year ended March 31, 2017:

1 Fair value of investment in equity instruments designated as FVTOCI

Under the previous GAAP, investment in long term equity instruments were carried at cost less provision for diminution, other than temporary, in the value of such investment. Under Ind AS these investments are required to be measured at fair value. Accordingly, fair value change with respect to investment in equity instruments of Lumax Industries Limited, designated at FVTOCI, have been recognized in other comprehensive income for the year ended March 31, 2017. This resulted in net increase in investment and total comprehensive income for the year ending March 31, 2017 by Rs 5,039.48 Lacs and Rs 264.28 Lacs at the date of transition i..e April 01, 2016 ;

2 Sale of goods

Under Previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods under Ind AS has increased by INR 4076.48 with a corresponding increase in other expense. This being reclassification adjustments, have no impact on profit for the year on account of the same.

3 Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

4 Other comprehensive income

Under Previous GAAP, the Company has not presented Other Comprehensive Income (OCI) separately. Hence, it has reconciled Previous GAAP profit to profit or loss as per Ind AS. Further, Previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

5 Cash Discounts

Revenue shall be measured at fair value of the consideration received or receivable. Also the amount of revenue arising on a transaction is usually determined by agreement between the entity and the buyer or user of the asset. It is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the entity. Therefore, the total sales has been disclosed net of any discounts given/to be given to the customers. However, this does not impact the results of the Company.

g) Cash Flow Statement

The transition from Previous GAAP to Ind AS do not have a material impact on the statement of cash flows.

50. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

a) Ind AS 115 - Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs had notified Ind AS 115 'Revenue from Contracts with Customers' which would be applicable for accounting periods beginning on or after 1 April 2018.This Standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Company is evaluating the requirements of the new standard and the effect on the financial statements is expected to be insignificant.

b) Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

c) Transfers of Investment Property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

Notes to Financial Statements
for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

The amendments are effective for annual periods beginning on or after 1 April 2018. The Company will apply amendments when they become effective. However, since there are no investment properties, the Company does not expect any effect on its financial statements.

d) Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : May 28, 2018

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Consolidated Financial Statements

Independent Auditor's Report

To the Members of Lumax Auto Technologies Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Lumax Auto Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture entity, comprising of the consolidated Balance Sheet as at March 31, 2018, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Joint venture in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance to the provisions of the Act for safeguarding the assets of the Group and of its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated Ind AS 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 of the consolidated state of affairs of the Group, its joint venture as at March 31, 2018, their consolidated profit including other comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matter

We did not audit the financial statements and other financial information, in respect of five subsidiaries, and one joint venture, whose Ind AS financial statements include total assets of Rs. 36,946.94 Lacs and net assets of Rs 23,233.27 Lacs as at March 31, 2018, and total revenues of Rs 56,124.58 Lacs and net cash inflows of Rs 573.25 Lacs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of Rs 61.53 Lacs for the year ended March 31, 2018, as considered in the consolidated financial statements, in respect of one joint venture and one joint venture of one of the subsidiary, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture, is based solely on the report(s) of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, and joint venture entity incorporated in India, none of the directors of the Group's companies, its joint venture entity incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies and joint venture entity incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint venture, as noted in the 'Other matter' paragraph:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its joint venture– Refer Note 41 to the consolidated Ind AS financial statements;

   ii. The Group, and its joint venture entity did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2018.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and joint venture incorporated in India during the year ended March 31, 2018.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 094421

Place: New Delhi
Date: May 28, 2018

Annexure-1 to the Independent Auditor's Report of even date on the consolidated financial statements of Lumax Auto Technologies Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Lumax Auto Technologies Limited as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Lumax Auto Technologies Limited (the "Holding Company") its subsidiaries (together, the "Group") and it's joint venture which are the companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company, its subsidiaries and joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Group, and it's joint venture which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company, insofar as it relates to its subsidiaries and joint venture incorporated in India, is based on the corresponding report of the auditors of such, subsidiaries and joint venture incorporated in India.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership Number: 094421

Place: New Delhi
Date: May 28, 2018

Consolidated Balance Sheet

as at March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
I. Non-current assets				
Property, plant and equipment	3.1	25,150.88	22,526.63	20,945.78
Capital work in progress	3.2	1,197.87	1,403.81	623.10
Investment property	3.3	1,930.74	2,002.61	2,059.84
Goodwill	4	16.64	16.64	-
Other Intangible assets	4	233.18	272.27	210.25
Investment in Joint Venture	5	724.30	733.66	241.22
Financial assets				
- Investments	6	12,007.48	7,760.09	2,713.50
- Other financial assets	7	338.79	248.44	240.72
Income Tax Assets (net)	8	312.43	-	-
Other non- current assets	9	1,052.45	910.15	2,088.78
Deferred tax assets (net)	10	137.11	114.61	-
		43,101.87	**35,988.91**	**29,123.19**
II. Current assets				
Inventories	11	7,802.38	5,536.61	6,013.98
Financial assets				
- Loans	12	62.41	57.02	81.12
- Investments	6	1,477.10	-	-
- Trade receivables	13	28,057.42	15,546.35	17,671.49
- Cash and cash equivalents	14	2,234.09	2,104.34	1,143.91
- Other bank balances	15	1,637.98	1,920.67	130.24
- Others financial assets	7	99.31	49.22	63.83
Other current assets	9	1,431.77	1,344.75	977.43
		42,802.46	**26,558.96**	**26,082.00**
Total Assets		**85,904.33**	**62,547.87**	**55,205.19**
EQUITY AND LIABILITIES				
I. Equity				
Equity share capital	16	1,363.15	1,363.15	1,363.15
Other equity	17	43,755.49	35,785.62	27,291.68
Equity attributable to equity holders of the parent		**45,118.64**	**37,148.77**	**28,654.83**
Non-controlling interests		3,028.25	2,188.14	1,597.00
Total Equity		**48,146.89**	**39,336.91**	**30,251.83**
II. Non- current liabilities				
Financial liabilities				
- Borrowings	18	790.15	141.17	1,339.71
Provisions	19	723.51	706.80	329.38
Deferred tax liabilities (net)	10	2,117.84	1,798.63	1,857.87
		3,631.50	**2,646.60**	**3,526.96**
III. Current liabilities				
Financial liabilities				
- Borrowings	18	-	2,000.00	166.40
- Trade payables	20	27,029.86	14,133.17	17,132.93
- Other financial liabilities	21	3,351.40	2,410.85	2,471.65
Provisions	19	556.91	441.99	236.80
Current Tax Liabilities	8	173.05	163.88	36.46
Other current liabilities	22	3,014.72	1,414.47	1,382.16
Total Liabilities		**34,125.94**	**20,564.36**	**21,426.40**
Total equity and liabilities		**85,904.33**	**62,547.87**	**55,205.19**

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Place : New Delhi
Date : May 28, 2018

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

		Notes	Year ended March 31, 2018	Year ended March 31, 2017
I	Revenue from operations	23	1,13,851.32	1,03,969.72
II	Other income	24	1,524.30	1,049.93
III	**Total income**		**1,15,375.62**	**1,05,019.65**
IV	**Expenses**			
	Cost of raw material and components consumed	25	64,290.84	54,096.54
	Cost of moulds consumed	26	1,366.74	940.25
	Purchases of traded goods		12,761.09	13,496.68
	(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	27	(604.62)	425.18
	Excise duty on sale of goods		2,704.23	7,427.89
	Employee benefits expense	28	11,100.44	9,551.42
	Finance costs	29	281.27	382.56
	Depreciation and amortization expense	30	2,525.76	2,352.96
	Other expenses	31	12,074.90	10,725.39
V	**Total expenses**		**1,06,500.65**	**99,398.87**
VI	**Profit before share of a joint venture, exceptional items and tax (III-V)**		**8,874.97**	**5,620.78**
	Share of (loss)/profit of a associate and Joint Venture		(61.53)	292.45
VII	**Profit before exceptional items and tax**		**8,813.44**	**5,913.23**
	Exceptional Items	32	(227.50)	(319.11)
VIII	**Profit before tax**		**8,585.94**	**5,594.12**
IX	**Tax expense:**			
	Current tax	10	2,827.75	1,634.80
	Adjustment of tax relating to earlier years	10	(15.35)	(6.08)
	Deferred tax	10	62.31	(42.53)
X	**Income tax expense**		**2,874.71**	**1,586.19**
XI	**Profit for the year after taxes but before non - controlling interests (VIII - X)**		**5,711.23**	**4,007.93**
XII	**Other Comprehensive Income**			
	Other Comprehensive Income not to be reclassified to statement of profit or loss in subsequent years			
	Re-measurement gains/ (losses) on defined benefit plans	33	36.39	(48.76)
	Income tax effect	33	(13.60)	16.20
	Gain on FVTOCI equity securities	33	4,247.39	5,046.59
	Income tax effect	33	(207.91)	(2.46)
XIII	**Other comprehensive income (net of taxes)**		**4,062.27**	**5,011.57**
XIV	**Total comprehensive income for the year [comprising net profit for the year and other comprehensive income]**		**9,773.50**	**9,019.50**
	Profit attributable to:			
	a) Equity holders of the parent		4,874.37	3,449.81
	b) Non- controlling interests		836.86	558.12
	Other comprehensive income attributable to:			
	a) Equity holders of the parent		4,059.02	5,007.99
	b) Non- controlling interests		3.25	3.58
	Total comprehensive income attributable to:			
	a) Equity holders of the parent		8,933.39	8,457.80
	b) Non- controlling interests		840.11	561.70
	Earnings per share (In Rs) :			
	1) Basic	34	35.76	25.31
	2) Diluted	34	35.76	25.31

The accompanying notes form an integral part of these financial statements

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Place : New Delhi
Date : May 28, 2018

Consolidated Cash Flow Statement

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash Flow from Operating Activities		
Profit before tax	**8,585.94**	**5,594.12**
Non-cash adjustments:		
Adjustment to reconcile profit before tax to net cash flows		
Depreciation of property, plant and equipment	2,383.39	2,188.79
Amortisation of intangible assets	84.96	106.94
Depreciation on investment properties	57.41	57.23
Loss/(gain) on sale of fixed assets	8.06	(11.58)
Dividend Income	(76.13)	-
Liabilities/ provisions no longer required, written back	(379.82)	(120.37)
Share of loss/(profit) of a joint venture	61.53	(292.45)
Provision for bad debt	189.04	17.93
Net foreign exchange differences	11.14	(10.83)
Interest income	(158.61)	(39.06)
Interest expenses	281.27	382.56
Gain on investment in mutual fund	(32.10)	-
Operating profit before working capital changes	**11,016.08**	**7,873.28**
Movements in working capital :		
(Increase)/decrease in trade receivables	(12,663.72)	2,058.45
(Increase)/decrease in financial assets	(430.74)	22.49
Increase in other assets	(108.44)	(409.18)
(Increase)/decrease in inventories	(2,265.77)	477.37
Increase/(Decrease) in trade payable and other payable	12,885.55	(2,988.93)
Increase in current liabilities, provisions, financial liability	3,342.83	853.35
Cash generated from operations	**11,775.79**	**7,886.83**
Direct taxes paid	**(2,241.60)**	**(1,494.07)**
Net cash generated from operating activities (A)	**9,534.19**	**6,392.76**
Cash flows from investing activities		
Purchase of fixed assets (including capital in progress and capital advances)	(4,890.97)	(4,106.86)
Proceeds from sale of property plant and equipment	182.66	312.92
Dividend Income	76.13	-
Further investments in joint ventures	(51.87)	(199.99)
Purchase of current investments	(1,477.10)	-
Realised Gain on investment in mutual fund	16.22	
Proceeds from maturity / (Investment in) of bank deposits	282.69	(1,790.43)
Interest received	146.97	47.56
Net cash used in investing activities (B)	**(5,715.27)**	**(5,736.80)**

Consolidated Cash Flow Statement (Contd.)

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flows from financing activities		
Repayment from long term borrowings (net)	(444.38)	(1,146.57)
(Repayments of) / Proceeds from short term borrowing (net)	(2,000.00)	1,833.60
Dividend paid (including tax thereon)	(963.52)	-
Interest paid	(281.27)	(382.56)
Net cash used in/generating from financing activities (C)	**(3,689.17)**	**304.47**
Net Increase in cash and cash equivalents (A + B + C)	**129.75**	**960.43**
Cash and cash equivalents at the beginning of the year	2,104.34	1,143.91
Cash and cash equivalents at the end of the year	**2,234.09**	**2,104.34**
Components of cash and cash equivalents		
Cash on hand	10.41	13.57
Cheques/ drafts on hand		-
Balance with banks		
- On current accounts	663.19	2,090.02
- On cash credit account	53.51	0.75
- Deposits with original maturity of less than three months	1,506.98	-
Total cash and cash equivalents (refer note 15)	**2,234.09**	**2,104.34**

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : May 28, 2018

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	Share capital* (1)	Other Equity						Non - Controlling Interest	Total equity (1+2)
		Retained earnings	Capital Reserve	Securities premium	General reserve	FVTOCI reserve	Total Reserves and surplus (2)		
As at April 01, 2016 (A)	1,363.15	20,345.68	289.31	4,528.55	1,726.40	401.74	27,291.68	1,597.00	28,654.83
Add: Profit for the year	-	3,449.81	-	-	-	-	3,449.81	587.56	3,449.81
Add: Other comprehensive income	-	-	-	-	-	5,044.13	5,044.13	3.58	5,044.13
Total (B)	**-**	**3,449.81**	**-**	**-**	**-**	**5,044.13**	**8,493.94**	**591.14**	**8,493.94**
As at March 31, 2017 (A+B)	**1,363.15**	**23,795.49**	**289.31**	**4,528.55**	**1,726.40**	**5,445.87**	**35,785.62**	**2,188.14**	**37,148.77**
Add: Profit for the year	-	4,874.37	-	-	-	-	4,874.37	836.86	4,874.37
Add: Other comprehensive income	-	-	-	-	-	4,059.02	4,059.02	3.25	4,059.02
Dividend paid (including tax thereon)	-	(963.52)	-	-	-	-	(963.52)	-	(963.52)
Total (C)	**-**	**3,910.85**	**-**	**-**	**-**	**4,059.02**	**7,969.87**	**840.11**	**7,969.87**
As at March 31, 2018 (A+B+C)	**1,363.15**	**27,706.34**	**289.31**	**4,528.55**	**1,726.40**	**9,504.89**	**43,755.49**	**3,028.25**	**45,118.64**

* Nos. 136.32 Lacs (March 31, 2017: 136.32 Lacs, April 1, 2016: 136.32 Lacs) equity shares of Rs 10/- each fully paid up

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

As per our report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

Place : New Delhi
Date : May 28, 2018

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

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of Lumax Auto Technologies Limited (the Company) its subsidiaries (collectively, the Group) and joint ventures for the year ended March 31, 2018. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Plot No. 70, Sector -10 PCNTDA, Bhosari, Pune, Maharashtra.

The Group is principally engaged in the manufacturing of automotive components. Information on the Group's structure is provided in Note 36. Information on other related party relationships of the Group is provided in Note 42.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 28, 2018.

2 Significant accounting policies

2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended March 31, 2017, the Group prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

These financial statements for the year ended March 31, 2018 are the first the Group has prepared in accordance with Ind AS. Refer to note 51 for information on how the Group adopted Ind AS.

The consolidated financial statements have been prepared on a historical cost basis, except for the financial assets and liabilities which have been measured at fair value or revalued amount.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2018. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

b. Exposure, or rights, to variable returns from its involvement with the investee, and

c. The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a. The contractual arrangement with the other vote holders of the investee

b. Rights arising from other contractual arrangements.

c. The Group's voting rights and potential voting rights.

d. The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2018.

Consolidation procedure:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

e. Investment in the associate joint venture and is recorded at transition date to Ind AS by measuring it as the aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from acquisition.

f. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Goodwill is measured as being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed.

2.3 Summary of significant accounting policies

a. Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

b. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet are based on current/ non-current classification.

An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle

b) Held primarily for the purpose of trading

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(a) It is expected to be settled in normal operating cycle

(b) It is held primarily for the purpose of trading

(c) It is due to be settled within twelve months after the reporting period, or

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

All other liabilities are classified as non-current.

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

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

c. Foreign currencies

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. Functional currency is the currency of the primary economic environment in which a Group operates and is normally the currency in which the Group primarily generates and expends cash. All the financial information presented in "Lacs", except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

d. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(a) In the principal market for the asset or liability, or

(b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The Group has assumed that recovery of excise duty flows to the Group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

However, Goods and services tax (GST), sales tax or value added tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

I. Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Production scrap and other miscellaneous scrap are recognized in revenue.

II. Rendering of Service

Revenues from services are recognized pro-rata over the period of the contract as and when services are rendered. The Group collects Goods & Service Tax ("GST") on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

III. Interest Income

Interest income is accrued on a time basis, by reference to the principal outstanding and recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Group estimates

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

IV. Dividend Income

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

V. Rental Income

Rental income arising from operating leases are accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature.

f. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all the attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the assets and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

g. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is

probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Minimum Alternate Tax ("MAT")

"Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period."

h. Non-current assets held for sale

The Group classifies non-current assets and disposal groups as held for sale/ distribution to owners if their carrying amounts will be recovered principally through a sale/ distribution rather than through continuing use

i. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income.

The Group has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment and capital work in progress as its deemed cost as at the date of transition.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred.

Capital work in progress

Capital work in progress comprises the cost of tangible assets that are not ready for their intended use at the reporting date.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives as prescribed in Schedule II to the Companies Act, 2013. The Company has used the following useful lives to provide depreciation on its Property, plant and equipment which is in line with schedule II:

Assets	Useful Lives estimated by the management (in years)
Lease hold land	99
Factory Building	30
Other Building	30 to 60
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	5

The management has estimated, supported by independent assessment by professionals, the useful life of the following class of asset, which are higher/different than that indicated in Schedule II.

Assets	Useful Lives estimated by the management (in years)
Plant and equipment's	21
Plant and equipment's (Robotics)	12
Moulds	9

Leasehold land is amortised on a straight line basis over the period of lease term.

The residual value of property, plant and equipment is considered at 2%.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

j. Intangible assets

Recognition and measurement

Intangible assets that are acquired by the Group are measured initially at cost. Intangible assets with finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

The Group has elected Ind AS 101 exemption and continue with the carrying value for all of its intangible assets as its deemed cost as at the date of transition.

Amortisation and useful lives

Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Amortisation is calculated over the cost of the asset, or other amount substituted for cost.

Intangible Assets	Estimated Useful Life (Years)
Computer Software	Over the estimated economic useful lives ranging from 3 to 4 years
Technical Know-how	Over the period of Technical Assistance Agreement i.e. 8 years

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

k. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to the Ind AS transition date i.e. April 01, 2016, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

Finance lease

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date, fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

assets, in which case they are capitalized in accordance with the Group's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease

A lease where risks and rewards incidental to ownership of an asset substantially vest with the lessor is classified as operating lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term unless:

(a) Another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or

(b) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

m. Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value.

The basis of determining costs for various categories of inventories is as follows:

- **Raw materials, components, stores and spares:** Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted moving average basis.

- **Work-in-progress and finished goods:** Cost includes direct material plus appropriate share of labour, manufacturing overheads based on normal operating capacity. Cost is determined on a weighted moving average basis.

- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Scraps are valued at net realisable value.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. Raw materials and other supplies held for use in production of finished goods are not written down below cost, except in cases where material prices have declined, and it is estimated that the cost of the finished goods will exceed its net realisable value. The comparison of cost and net realizable value is made on an item-by-item basis.

n. Provisions (other than employee benefits)

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

(Amount in Rs Lacs, unless otherwise stated)

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

(i) Warranties

Warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods and is included in the statement of profit and loss. The estimates used for accounting for warranty costs are reviewed periodically and revisions are made, as and when required.

(ii) Contingencies

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred and the amount can be estimated reliably.

o. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid,

i) The Group operates defined benefit plans for its employees, viz., gratuity. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss.

ii) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

iii) The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purpose. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

a) The date of the plan amendment or curtailment, and

b) The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b) Net interest expense or income

p. Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

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

Debt instruments at amortised cost

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

(i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and

(ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income or expense in statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. The group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The group has not designated any debt instrument as at FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

(i) The contractual rights to receive cash flows from the asset has expired, or

(ii) The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings etc.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

Financial liabilities at Amortized cost

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

q. Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, security deposits, loan to employees, etc.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

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

r. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

An impairment loss is recognized, if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount and is recognised in statement of profit and loss.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

s. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

t. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Group by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Group by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

u. Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

v. Segment reporting

Identification of segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operates.

Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2.4 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plans

The present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

b) Property, plant and equipment

Refer note 2.3 (i) for the estimated useful life of property, plant and equipment. The carrying value of property, plant and equipment has been disclosed in note 3.

During the year the Group has made re-assessment of the estimated useful life of the property plant and equipment's, there has been a change in useful life of certain class of property plant and equipment's under plant and Machineries from exiting 8 years to 12 years. The impact of the change in the estimate resulted in the decrease of depreciation expense by 49.17 Lacs in the current year.

c) Intangible assets

Refer note 2.3 (j) for the estimated useful life of intangible assets. The carrying value of intangible assets has been disclosed in note 4.

d) Contingencies

Refer note 41 for details of contingencies.

e) Impairment of financial assets

Refer note 2.3 (q) for the policy to estimate the impairment of financial assets.

f) Impairment of non-financial assets

Refer note 2.3 (r) for the policy to estimate the impairment of non-financial assets.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

3.1 Property, plant and equipment and capital work in progress

Property, plant and equipment (net)

The details of property, plant and equipment (net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Freehold land	767.86	782.20	288.41
Leasehold Land	1,211.01	1,219.08	1,225.04
Building	2,780.10	2,863.65	2,920.39
Buildings (Non- Factory)	2,783.35	2,364.23	1,568.00
Plant and equipments	16,539.76	14,079.49	14,150.01
Furniture and fixtures	255.19	258.22	207.80
Office equipments	139.57	161.66	127.81
Vehicles	563.02	675.22	326.34
Computers	111.02	122.88	131.98
Total	**25,150.88**	**22,526.63**	**20,945.78**

3.2 Capital work in progress

The details of capital work in progress:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital work in progress	1,197.87	1,403.81	623.10
Total	**1,197.87**	**1,403.81**	**623.10**

Ind AS 101 Exemption: The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment and capital work in progress as its deemed cost as at the date of transition.

Details of gross block, accumulated depreciation and net block carried at deemed cost

	Gross Block as at April 01, 2016	Accumulated depreciation as April 01, 2016	Net Block as at April 01, 2016/ Deemed Cost
Freehold land	288.41	-	288.41
Leasehold Land	1,286.05	61.01	1,225.04
Building	3,725.39	805.00	2,920.39
Buildings (Non- Factory)	1,829.29	261.29	1,568.00
Plant and equipments	21,632.60	7,482.59	14,150.01
Furniture and fixtures	388.20	180.40	207.80
Office equipments	341.65	213.84	127.81
Vehicles	565.90	239.55	326.35
Computers	449.51	317.54	131.97
Total	**30,507.00**	**9,561.22**	**20,945.78**

(Amount in Rs Lacs, unless otherwise stated)

3.1.1 Property, plant and equipment

	Freehold land	Leasehold Land	Building	Buildings (Non-Factory)	Plant and equipment's	Furniture and fixtures	Office equipment's	Vehicles	Computers	Total
Cost or valuation										
As at April 01, 2016	**288.41**	**1,286.05**	**3,725.39**	**1,829.29**	**21,632.60**	**388.20**	**341.65**	**565.90**	**449.51**	**30,507.00**
Additions	30.54	2.75	69.49	855.67	1,816.96	93.94	95.45	339.33	49.87	3,354.00
Disposals	-	-	-	-	(249.43)	(0.09)	-	(83.04)	(0.93)	(333.49)
Fixed asset held for sale	-	-	-	-	(10.50)	-	-	-	-	(10.50)
Acquisitions adjustments	463.25	-	-	-	-	-	-	223.04	29.61	715.90
As at March 31, 2017	**782.20**	**1,288.80**	**3,794.88**	**2,684.96**	**23,189.63**	**482.05**	**437.10**	**1,045.23**	**528.06**	**34,232.91**
Additions	-	-	140.34	421.36	4,365.60	53.82	48.08	87.76	66.96	5,183.92
Disposals	(14.34)	-	0.00	-	(246.88)	(24.23)	(0.20)	(42.18)	(6.25)	(334.08)
As at March 31, 2018	**767.86**	**1,288.80**	**3,935.22**	**3,106.32**	**27,308.35**	**511.64**	**484.98**	**1,090.81**	**588.77**	**39,082.75**
Depreciation and Impairments										
As at April 01, 2016	**-**	**61.01**	**805.00**	**261.29**	**7,482.59**	**180.40**	**213.84**	**239.56**	**317.54**	**9,561.22**
Depreciation Charge for the year	-	8.71	126.23	59.44	1,677.09	43.52	61.60	139.15	73.05	2,188.79
Disposal	-	-	-	-	(46.14)	(0.09)	-	(61.27)	(0.55)	(108.05)
Fixed asset held for sale	-	-	-	-	(3.40)	-	-	-	-	(3.40)
Acquisitions adjustments	-	-	-	-	-	-	-	28.09	7.65	35.74
Adjustment-current year depreciation	-	-	-	-	-	0.00	0.01	24.48	7.49	31.97
As at March 31, 2017	**-**	**69.72**	**931.23**	**320.73**	**9,110.14**	**223.83**	**275.45**	**370.01**	**405.18**	**11,706.28**
Depreciation Charge for the year	-	8.07	223.89	2.24	1,759.31	44.37	70.16	197.95	77.41	2,383.39
Disposal	-	-	-	-	(100.86)	(11.75)	(0.19)	(40.17)	(4.84)	(157.81)
As at March 31, 2018	**-**	**77.79**	**1,155.12**	**322.97**	**10,768.59**	**256.45**	**345.41**	**527.79**	**477.75**	**13,931.86**
Net Block										
As at March 31, 2018	**767.86**	**1,211.01**	**2,780.10**	**2,783.35**	**16,539.76**	**255.19**	**139.57**	**563.02**	**111.02**	**25,150.88**
As at March 31, 2017	**782.20**	**1,219.08**	**2,863.65**	**2,364.23**	**14,079.49**	**258.22**	**161.66**	**675.22**	**122.88**	**22,526.63**
As at April 01, 2016	**288.41**	**1,225.04**	**2,920.39**	**1,568.00**	**14,150.01**	**207.80**	**127.81**	**326.34**	**131.97**	**20,945.78**

** The Company had entered into an agreement with Lumax Ancillary Limited to sell one of its unit at kala-amb on slump sale basis on April 1 , 2017. Accordingly WDV of property, plant and equipment situated at Kala-amb were disclosed under current assets as " Assets held for sale" amounting to 7.10 Lacs as at March 31, 2017. The same was sold in the current year.

**Addition to building (non-factory) in the current year having value of Rs 421.36 Lacs is yet to be registered in the name of the Company. Total value of property, plant and equipment which is yet to be registered in the name of the Company. to Rs 1,273.16 Lacs as on March 31, 2018.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

3.3. Investment property

	Freehold Land	Buildings	As at March 31, 2018
Gross carrying amount			
As at April 01, 2016 *	609.08	1,694.95	2,304.03
Additions	-	-	-
As at March 31, 2017	**609.08**	**1,694.95**	**2,304.03**
Deductions	(14.46)	-	(14.46)
As at March 31, 2018	**594.62**	**1,694.95**	**2,289.57**
Depreciation and Impairments			
As at April 01, 2016 *	-	244.19	244.19
Depreciation Charge for the year	-	57.23	57.23
As at March 31, 2017	-	301.42	301.42
Depreciation Charge for the year	-	57.41	57.41
As at March 31, 2018	-	358.83	358.83
Net Block			
As at March 31, 2018	**594.62**	**1,336.12**	**1,930.74**
As at March 31, 2017	**609.08**	**1,393.53**	**2,002.61**
As at April 01, 2016	**609.08**	**1,450.76**	**2,059.84**
Fair Value of Investment Property			
As at March 31, 2018			**3,869.00**
As at March 31, 2017			**3,755.00**
As at April 01, 2016			**3,613.00**

* Investment Property has been carried at the cost less accumulated depreciation as at 1 April 2016 , as the cost and depreciation determined under the previous GAAP , in case of the Company, is in line with the principles of Ind AS 40.

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

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

ii) Contractual obligations

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

iii) Estimation of Fair Value

Fair value investment property is ascertained on the basis of market rates as determined by the independent registered valuer.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

4. Intangible assets

a) Details of intangible assets:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Intangible assets			
- Goodwill	16.64	16.64	-
	16.64	**16.64**	**-**
Other intangible assets			
- Computer software	162.34	179.34	183.48
- Technical Know How	70.84	92.93	26.77
	233.18	**272.27**	**210.25**
Total	**249.82**	**288.91**	**210.25**

b) Disclosures regarding gross block of intangible assets, accumulated amortisation and net block are as given below:

	Technical Know How	Computer software	Goodwill	Total
Cost or valuation				
As at April 01, 2016	186.52	577.34	-	763.86
Add: Additions	79.65	89.94	16.64	186.23
Add: Acquisition Adjustments	-	0.47	-	0.47
As at March 31, 2017	**266.17**	**667.75**	**16.64**	**950.56**
Add: Additions	-	45.85	-	45.85
Less: Disposals	-	(0.15)	-	(0.15)
As at March 31, 2018	**266.17**	**713.45**	**16.64**	**996.27**
Amortisation				
As at April 01, 2016	159.75	393.86	-	553.61
Add: Amortisation charge for the year	13.49	93.45	-	106.94
Add: Acquisition Adjustments	-	1.10	-	1.10
As at March 31, 2017	**173.24**	**488.41**	**-**	**661.65**
Add: Amortisation charge for the year	22.09	62.87	-	84.96
Less: Disposals	-	(0.15)	-	(0.15)
As at March 31, 2018	**195.33**	**551.13**	**-**	**746.46**
Net book value				
At April 01, 2016	**26.77**	**183.48**	**-**	**210.25**
At March 31, 2017	**92.93**	**179.34**	**16.64**	**288.91**
At March 31, 2018	**70.84**	**162.34**	**16.64**	**249.81**

c) The Company has elected Ind AS 101 exemption and continue with the carrying value for all of intangibles assets its deemed cost as at the date of transition.

Details of gross block, accumulated depreciation and net block carried at deemed cost

	Gross Block as at April 01, 2016	Accumulated depreciation as April 01, 2016	Net Block as at April 01, 2016/ Deemed Cost
- Technical Know How	186.52	159.75	26.77
- Computer Software	577.34	393.86	183.48
Total	**763.86**	**553.61**	**210.25**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

5. Investment in Joint venture

Details of Investment

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
- In Joint ventures			
Lumax Gill-Austem Auto Technologies Private Limited	690.87	733.66	241.22
Nos. 247.3 Lacs (March 31, 2017 - 247.3 Lacs, April 01, 2016 - 247.3 Lacs) equity shares of Rs 10 each fully paid up			
Lumax Sipal Engineering Private Limited *(Nos. 7.19 Lacs (March 31, 2017 - 4.15 Lacs, April 01, 2016 - 4.15 Lacs) shares of 10 each fully paid*	33.43	-	-
Total	**724.30**	**733.66**	**241.22**

Group has ceded the management control of its step down Subsidiary Company i.e Lumax Sipal Engineering Private Limited (LESPL) in favour of the Joint venture partner, Sipal S.p.A, Italy. Thus this company is treated as Joint Venture in accordance with Ind AS 28 instead of Subsidiary of Group from April 01, 2017.

6. Investments

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A. Non-current Investments			
*Investments in Quoted equity instruments of other entities (valued at fair value through other comprehensive income)**			
5.25 Lacs (March 31, 2017: 5.25 Lacs, 1 April 2016: 5.25 Lacs) Equity Share of Rs 10 each fully paid up of Lumax Industries Limited	11,474.14	7,241.60	2,202.11
Investment in equity instruments(Unquoted)			
3.00 Lacs (March 31, 2017 3.00 Lacs, April 1, 2016 - 3.00 Lacs) equity shares of Rs 10 each fully paid-up of Lumax Ancillary Limited*	533.34	518.49	511.38
20 (Previous year 20) equity shares of Rs 50 each fully paid-up of Rupee Co-op Bank Limited	-	-	0.01
(A)	**12,007.48**	**7,760.09**	**2,713.50**
B. Current Investments			
In Mutual Funds (unquoted)**	1,477.10	-	-
(B)	**1,477.10**	**-**	**-**
(A+B)	**13,484.58**	**7,760.09**	**2,713.50**
Current	**1,477.10**	**-**	**-**
Non- current	**12,007.48**	**7,760.09**	**2,713.50**
Aggregate Market value of Quoted Investments (refer note 46)	**12,951.24**	**7,241.60**	**2,202.11**
Aggregate value of unquoted Investments (refer note 46)	**533.34**	**518.49**	**511.39**

* Investment in equity instrument of Lumax Industries limited (quoted) and Lumax Ancillary Limited (Unquoted) where the business model of the company is not for trading , the Company has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Other Comprehensive income (FVTOCI).

** Investment in Mutual fund, the company has opted irrevocable option to present subsequent changes in the fair value of an investment in an equity instrument through Fair value through profit and loss account (FVTPL).

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

7. Other Financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other financial assets			
Non- current			
Security deposits	338.79	252.94	228.66
Provision for bad and doubtful debts	(5.00)	(5.00)	(5.00)
Total	**333.79**	**247.94**	**223.66**
Deposits with remaining maturity for more than 12 months	5.00	0.50	17.06
	338.79	**248.44**	**240.72**
Current			
Interest accrued but not due	40.43	28.79	37.30
Security deposits	0.75	20.43	-
Advances recoverables	58.13	-	26.53
	99.31	**49.22**	**63.83**
Total	**438.10**	**297.66**	**304.55**
Current	99.31	49.22	63.83
Non - Current	338.79	248.44	240.72
	438.10	**297.66**	**304.55**

a) Break up of financial assets carried at amortised cost:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans (refer note 12)	62.41	57.02	81.12
Trade receivables (refer note 13)	28,057.42	15,546.35	17,671.49
Cash and cash equivalents (refer note 14)	2,234.09	2,104.34	1,143.91
Other bank balances (refer note 15)	1,637.98	1,920.67	130.24
Others financial assets (refer note 7)	438.10	297.66	304.55
Total financial assets carried at amortised cost	**32,430.00**	**19,926.04**	**19,331.31**

8. Income Tax Assets / Liabilities (net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Income Tax Assets			
Advance Income tax (net) (Includes MAT Credit Entitlement of Rs 296.54 Lacs)	312.43	-	-
	312.43	**-**	**-**
Income Tax liabilities			
Provision for Income Tax (net)	173.05	163.88	36.46
Total	**173.05**	**163.88**	**36.46**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

9. Other assets

(Unsecured, considered good, unless otherwise stated)

The details of other assets:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non- current			
Advances for property, plant and equipment	826.42	156.52	1,317.77
Balances with statutory/government authorities*	84.46	62.76	3.99
Income tax refund receivable	140.24	159.29	48.92
MAT credit entitlement	-	529.97	699.58
Prepaid expenses	0.55	0.83	-
Deposit under protest	0.78	0.78	18.52
Total (A)	**1,052.45**	**910.15**	**2,088.78**
Current			
Balance with statutory / government authorities*	504.81	451.46	380.29
Advance to suppliers	688.62	687.90	476.92
Prepaid expenses	71.92	101.53	81.58
Assets classified as held for sale	2.13	9.23	2.13
Others	164.29	94.63	36.51
Total (B)	**1,431.77**	**1,344.75**	**977.43**
Total (A+B)	**2,484.22**	**2,254.90**	**3,066.21**
Total current	**1,431.77**	**1,344.75**	**977.43**
Total non -current	**1,052.45**	**910.15**	**2,088.78**

* Balance with government authorities includes the amount of subsidy claim receivables from the government on the capital investment made by the Holding Company in the state of Maharashtra.

10. Income tax

The major components of income tax expense for the years ended March 31, 2018:

a) Statement of profit and loss:

	As at March 31, 2018	As at March 31, 2017
Current income tax		
Current income tax charge	2,827.75	1,634.80
Adjustments in respect of tax for earlier year	(15.35)	(6.08)
Deferred tax		
Relating to origination and reversal of temporary differences	62.31	(42.53)
Income tax expense reported in the statement of profit or loss	**2,874.71**	**1,586.19**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

b) OCI section

Deferred tax related to items recognised in OCI during the year:

	As at March 31, 2018	As at March 31, 2017
Net (Gain) / Loss on remeasurements of defined benefit plans	(13.60)	16.20
Gain on financial assets	(207.91)	(2.46)
Income tax charged to OCI	**(221.51)**	**13.74**

c) Deferred tax Liabilities:

	Balance sheet		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets relates to the following :			
Impact of expenditures charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	474.54	373.23	241.49
Impact of allowance for doubtful debts	37.38	17.64	12.40
Others	13.19	14.70	28.36
	525.11	**405.57**	**282.25**
Deferred tax liability relates to the following :			
Accelerated depreciation for tax purposes	2,354.28	2,128.98	2,067.37
Others	288.67	75.22	72.75
	2,642.95	**2,204.20**	**2,140.12**
Total deferred tax liability (Net)	**2,117.84**	**1,798.63**	**1,857.87**

d) Deferred tax Assets :

	Balance sheet		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets relates to the following :			
Impact of expenditures charged to statement of profit and loss in the current year but allowed for tax purposes on payment basis	126.08	114.33	-
Accelerated depreciation for tax purposes	9.23	-	-
Others	2.36	-	-
Deferred tax liability relates to the following :	**137.67**	**114.33**	**-**
Accelerated depreciation for tax purposes	0.56	(0.28)	-
	0.56	**(0.28)**	-
Total deferred tax assets (Net)	**137.11**	**114.61**	**-**

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

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

e) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017

	For the year ended March 31, 2018	For the year ended March 31, 2017
Accounting profit before income tax	8,585.94	5,594.12
Tax at the Indian Tax Rate of 34.608% (previous year 33.063%)	2,622.32	1,578.14
Tax at the Indian Tax Rate of 27.255% (previous year 33.063%)	297.04	246.61
Non-deductible expenses for tax purposes:		
Permanent Difference	(2.87)	(8.30)
Exempt Income	(80.70)	(206.14)
Others	38.90	(24.12)
At the effective income tax rate of 30.43% (March 31, 2017: 30.01%)	**2,874.71**	**1,586.19**

11. Inventories

Details of inventories:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Raw materials (at cost) (including goods in transit Rs 339.53 Lacs (March 31, 2017 Rs 76.10 Lacs (April 01 , 2016 : Rs 47.83 Lacs)	4,005.95	2,260.36	2,253.39
Work-in-progress (at cost)	355.40	257.86	269.33
Finished goods (at lower of cost and net realisable value)[Including sales in transit Rs 480 Lacs (March 31, 2017: Rs 140.08 Lacs, April 01, 2016: Rs 134.31 Lacs)	1,037.96	650.84	538.33
Traded goods	1,342.35	1,222.40	1,748.62
Moulds	707.13	802.82	751.46
Stores and spares *	353.59	342.33	452.85
Total inventories at the lower of cost and net realisable value	**7,802.38**	**5,536.61**	**6,013.98**

* Stores and spares are capitalised if they meet the definition of property, plant and equipment as per Ind AS 16, otherwise they are classified as inventory.

As per Ind AS 16, Property, plant and equipment are tangible items that:

i) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and

ii) Are expected to be used during more than one period

Management has assessed that the useful life of stores and spares where the life is less than one year, hence considered as part of inventories.

12. Loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Loan to Employees	62.41	57.02	81.12
	62.41	**57.02**	**81.12**
Current	**62.41**	**57.02**	**81.12**
Non- current	-	-	-

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

13. Trade receivables

a) Details of trade receivables:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade receivables	16,420.56	9,759.53	12,592.22
Receivables from a joint venture and associates (Note 42)	73.37	69.10	38.01
Receivables from other related parties (Note 42)	11,563.49	5,717.72	5,041.26
Total Trade receivables	**28,057.42**	**15,546.35**	**17,671.49**

b) Break-up for security details

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	28,057.42	15,546.35	17,671.49
Unsecured, considered Doubtful	132.70	61.45	45.91
	28,190.12	**15,607.80**	**17,717.40**
Provision for doubtful receivables	(132.70)	(61.45)	(45.91)
Total	**28,057.42**	**15,546.35**	**17,671.49**

c) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

d) Trade receivables are non-interest bearing and are generally on terms of not more than 30-90 days.

14. Cash and cash equivalents

Details of cash and cash equivalents:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks:			
- On current accounts	663.19	2,090.02	797.35
- Deposits with original maturity of less than 3 months	1,506.98	-	-
- On cash credit accounts	53.51	0.75	322.59
Cash on hand	10.41	13.57	23.97
	2,234.09	**2,104.34**	**1,143.91**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

15. Other bank balances

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other bank balances			
- Deposits having remaining maturity of more than 12 months	5.00	0.50	17.06
- Deposits with remaining maturity more than 3 months but less than 12 months	1,625.83	1,911.15	118.93
- On unpaid dividend account*	12.15	9.52	11.31
Total	**1,642.98**	**1,921.17**	**147.30**
Less: Deposits having maturity of more than 12 months disclosed under other non current financial assets	(5.00)	(0.50)	(17.06)
Total	**1,637.98**	**1,920.67**	**130.24**

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

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks:			
- Current account	663.19	2,090.02	797.35
- On cash credit account	53.51	0.75	322.59
- Deposits with original maturity of less than 3 months	1,506.98	-	-
Cash on hand	10.41	13.57	23.97
Total	**2,234.09**	**2,104.34**	**1,143.91**

* The Company can utilized the balances only towards settlement of unclaimed dividend.

16. Share Capital

a) Details of share capital is as follows:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised share capital			
Nos. 150 Lacs (March 31, 2017: Nos. 150 Lacs, April 01, 2016: Nos. 150 Lacs) equity shares of Rs 10 each	1,500.00	1,500.00	1,500.00
	1,500.00	**1,500.00**	**1,500.00**
Issued, subscribed and paid up			
Nos. 136.32 (March 31, 2017: Nos. 136.32 Lacs, April 01, 2016: Nos. 136.32 Lacs) equity shares of Rs 10 each	1,363.15	1,363.15	1,363.15
	1,363.15	**1,363.15**	**1,363.15**

b) Reconciliation of authorised share capital

	Equity Shares	
	No. of shares	**Amount**
At April 01, 2016	150.00	1,500.00
At March 31, 2017	150.00	1,500.00
At March 31, 2018	**150.00**	**1,500.00**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

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

	Equity Shares	
	No. of shares	**Amount**
Equity shares of Rs 10 each issued, subscribed and fully paid-up		
At April 01, 2016	136.32	1,363.15
At March 31, 2017	136.32	1,363.15
At March 31, 2018	**136.32**	**1,363.15**

d) Terms/rights attached to equity shares:

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

As at March 31, 2018, the paid up equity share capital of the Company stood at 1,363.15 Lacs divided into Nos. 136.32 Lacs equity share of the face value of Rs 10 each. The Company has obtained it's Boards approval for Sub-division of existing 1 equity share having face value of Rs 10 each fully paid-up into 5 equity share having face value of Rs 2 each. The following matter was approved by the Board in the Board Meeting held on March 23, 2018. Further the Company is in process of obtaining share holder's approval through postal ballot.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of any preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Details of shareholders holding more than 5% shares in the Holding company

Name of the shareholder	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	No. of shares (in Lacs)	% holding in the equity shares	No. of shares (in Lacs)	% holding in the equity shares	No. of shares (in Lacs)	% holding in the equity shares
Equity shares of INR 10 each fully paid						
Lumax Finance Private Limited, *an enterprise with significant influence*	24.22	17.77%	24.22	17.77%	24.22	17.77%
Dhanesh Kumar Jain, *Director*	16.55	12.14%	16.55	12.14%	16.55	12.14%
Albula Investment Fund Limited, *an enterprise with significant influence*	12.32	9.03%	12.32	9.03%	12.32	9.03%
D. K. Jain & Sons (HUF), *an enterprise with significant influence*	11.81	8.66%	11.81	8.66%	11.81	8.66%
Deepak Jain, *Director*	9.15	6.71%	9.15	6.71%	9.15	6.71%
Anmol Jain, *Managing Director*	8.62	6.33%	8.62	6.33%	8.62	6.33%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

17. Other Equity

a) Reconciliation of Other Equity

	Retained earnings	Capital Reserve	Securities premium	FVTOCI reserve	General reserve	Total
As at April 01, 2016	20,345.68	289.31	4,528.55	401.74	1,726.40	27,291.68
Profit for the year	3,449.81	-	-	-	-	3,449.81
Other comprehensive income for the year, net of tax	-	-	-	5,044.13	-	5,044.13
As at March 31, 2017	**23,795.49**	**289.31**	**4,528.55**	**5,445.87**	**1,726.40**	**35,785.62**
Profit for the year	4,874.37	-	-	-	-	4,874.37
Other comprehensive income for the year, net of tax	-	-	-	4,059.02	-	4,059.02
Dividend paid	(963.52)	-	-	-	-	(963.52)
As at March 31, 2018	**27,706.34**	**289.31**	**4,528.55**	**9,504.89**	**1,726.40**	**43,755.49**

b) Distributions made and proposed

	As at March 31, 2018	As at March 31, 2017
Holding Company		
Cash dividends on equity shares declared and paid		
Final dividend pertaining to March 31, 2017 : Rs 4.70 per share (March 31, 2016: Rs Nil) paid during the year	640.68	-
Subsidiary company		
Final dividend for the year ended on March 31, 2017: Rs 8.50 per share (March 31, 2016: Rs Nil per share) paid by Lumax Mannoh Allied Technologies Limited.	133.13	-
Dividend distribution tax on dividend	189.71	-
Proposed dividends on Equity shares *		
Holding Company		
Final cash dividend for the year ended on March 31, 2018: Rs 10 per share (March 31, 2017: Rs 4.70 per share)	1,363.15	640.68
DDT on final dividend**	46.86	-
Subsidiary company		
Final cash dividends (share of minority) for the year ended on March 31, 2018: Rs 15 per share (March 31, 2017: Rs 8.50 per share)	234.93	133.13
DDT on final dividend	48.29	27.10

* Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31, 2018.

** Dividend distribution tax on proposed dividend of holding Company has been shown net of dividend distribution tax credit availed on account of dividend receivable from subsidiaries.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

18. Borrowings

a) Details of long term borrowings:

	Effective interest rate	Maturity	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term Loans					
Term loan from banks (secured)*	9% -10.55%	2020-23	900.00	1,375.30	2,506.41
Long term maturities of finance lease obligation					
Vehicle loan from banks (secured)**	8% -10%	2019-2021	174.01	125.98	132.04
Other loans					
Deferred sales tax loan (unsecured)***	-	2019	3.75	20.85	30.25
Less: current maturity disclosed under other financial liabilities (refer note 2)					
- term loan		2019	(168.75)	(1,308.69)	(1,253.71)
- vehicle loan		2018-2021	(115.11)	(61.99)	(65.89)
- deferred sales tax loan		2019	(3.75)	(10.28)	(9.39)
Total borrowings			**790.15**	**141.17**	**1,339.71**
Total current			**287.61**	**1,380.96**	**1,328.99**
Total non-current			**790.15**	**141.17**	**1,339.71**
Aggregate secured loans			**1,074.01**	**1,501.28**	**2,638.46**
Aggregate unsecured loans			**3.75**	**20.85**	**30.25**

Loans taken by the Holding Company

* Indian rupee loan from banks, amounting to Rs Nil (March 31, 2017 Rs 1250.00 Lacs April 01 , 2016 : Rs 2500.00 Lacs) taken in the Financial year 2012-13 carried interest @ 10.55 % p.a. at present. The loan was repaid in 16 equal quarterly instalments of Rs 312.50 Lacs after fifteen month moratorium period (from the disbursement date) i.e. from Jan 03, 2013. The loan is secured by extension of charges by way of hypothecation on the plant and machinery along with the equitable mortgage (EQM) on land and building, situated at Bengaluru unit.

** Vehicle loan amounting to Rs 96.47 Lacs (March 31, 2017 Rs 125.99 Lacs, April 01, 2016 Rs 132.05 Lacs) taken from banks at interest @ 8% - 10% are secured by way of hypothecation of the respective vehicles acquired out of proceeds thereof. These loans are repayable over a period of three years from the date of availment.

*** Deferred sales tax loan amounting to Rs 3.75 Lacs (March 31, 2017: Rs 20.85 Lacs, April 01, 2016: Rs 30.25 Lacs)] is availed by the Company on sales made during the period from financial year (FY) 1999-2000 to 2005-06. The said loan is repayable in tenure of 10 years starting from FY 2010-11 as per the repayment schedule received from sales tax authorities.

Loan taken by the subsidiaries

* Term loan from banks, amounting to Rs 900 Lacs, (March 31, 2017 125.30 Lacs April 01 , 2016 : Rs 6.41 Lacs) taken in the Financial year 2017-18 carries interest @ 9.0% p.a. at present. The loan is secured by extension of charges by way of hypothecation on the Leasehold Land.

** Vehicle loan amounting to Rs 77.54 Lacs (March 31, 2017 Rs Nil , April 01, 2016 Rs nil) taken from banks at interest @ 8% - 9% 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.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

b) Details of short term borrowings:

	Effective interest rate	Maturity	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loan repayable On Demand (from bank)					
Working capital loan repayable on demand*	8.00% - 9.00%	2018	-	2,000.00	166.40
Total			**-**	**2,000.00**	**166.40**

* Working capital loan taken from bank which is secured against current assets and carries interest at 8.00 % - 9.00%.

Loan covenants

The Group has satisfied all debt covenants prescribed in the terms of bank loans. The other loans do not carry any debt covenant.

19. Provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non- Current			
Provision for gratuity	113.62	175.22	132.19
Provision for compensated absences	609.89	531.58	197.19
	723.51	**706.80**	**329.38**
Current			
Provision for employee benefits			
Provision for gratuity	385.03	262.28	129.68
Provision for compensated absences	171.88	161.24	59.06
Other provisions			
Provisions - Others	-	18.47	32.95
Provision for tax on proposed equity dividend	-	-	15.11
Total	**556.91**	**441.99**	**236.80**
Current	**556.91**	**441.99**	**236.80**
Non- Current	**723.51**	**706.80**	**329.38**

20. Trade payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A. Trade payables			
- Trade payables*	20,171.08	11,155.19	13,754.06
- Related parties (refer Note 42)	5,652.70	2,851.54	3,313.74
B. Other payables			
- Other payables	1,206.08	126.44	65.13
Total	**27,029.86**	**14,133.17**	**17,132.93**

* Trade payables are non-interest bearing and are normally settled on 30-90 days terms.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

21. Other financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other financial liabilities at amortised cost			
Non-current(A)	-	-	-
Current			
Current maturity of long term loan (refer note 18)	3.75	1,318.98	1,263.11
Current maturity of vehicle loan (refer note 18)	283.86	61.98	65.88
Amount payable for property, plant and equipment	931.26	128.48	359.30
Accrued salaries and benefits to employees	1,693.29	463.97	390.99
Unsecured deposits from customers	427.09	427.92	381.06
Unpaid dividends*	12.15	9.52	11.31
Total (B)	**3,351.40**	**2,410.85**	**2,471.65**
Total (A+B)	**3,351.40**	**2,410.85**	**2,471.65**
Current	**3,351.40**	**2,410.85**	**2,471.65**
Non- current	**-**	**-**	**-**

a) Breakup of financial liabilities at amortised cost:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	27,029.86	14,133.17	17,132.93
Accrued salaries and benefits to employees	1,693.29	463.97	390.99
Borrowings non current	790.15	141.17	1,339.71
Borrowings current	-	2,000.00	166.40
Current maturity of long term loan	287.61	1,380.96	1,328.99
Unsecured deposits from customers	427.09	427.92	381.06
Unpaid dividends*	12.15	9.52	11.31
Amount payable for property, plant and equipment	931.26	128.48	359.30
Total financial liabilities carried at amortised cost	**31,171.41**	**18,685.19**	**21,110.69**

* Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. Accordingly, the Company has transferred Rs 1.40 Lacs during the current year (March 31, 2017 Rs 1.79 Lacs, April 01, 2016 Rs 0.42 Lacs) to the Investor Education and Protection Fund.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

22. Other liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Statutory dues	1,227.81	448.77	419.71
Advance from customers	319.40	370.34	316.29
Other liabilities (net)*	1,467.51	595.36	646.16
Total	**3,014.72**	**1,414.47**	**1,382.16**
Current	**3,014.72**	**1,414.47**	**1,382.16**
Non-current	-	-	-

* Other liabilities (net) represents amount towards rate difference payable to customers , net off amounts receivable from customers in respect of price increase not yet debited.

23. Revenue from operations

The details of revenue from operations is as follows:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of products		
Finished goods	93,745.29	83,657.85
Traded goods	17,194.65	18,413.65
Total sale of products (A)	**1,10,939.94**	**1,02,071.50**
Sale of service		
Sale of service	1,136.41	584.74
Job work income	17.85	-
Total sale of service (B)	**1,154.26**	**584.74**
Other operating revenue:		
Scrap sale	73.08	81.02
Mould sale	1,684.04	1,232.46
Total other operating revenue (C)	**1,757.12**	**1,313.48**
Revenue from operations (A+B+C)	**1,13,851.32**	**1,03,969.72**

Sale of goods includes excise duty collected from customers of Rs 2,704.23 Lacs (March 31, 2017: Rs 7,427.89 Lacs).

Revenue from operations for periods up to June 30, 2017 includes excise duty. From July 01, 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended March 31, 2018 is not comparable with March 31, 2017. The following additional information is being provided to facilitate such understanding :

	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operations (Gross of excise duty) (A)	1,13,851.32	1,03,969.72
Excise duty (B)	2,704.23	7,427.89
Revenue from operations excluding excise duty (A) - (B)	**1,11,147.09**	**96,541.83**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

24. Other income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Other non - operating income		
Interest income		
- On fixed deposits	144.31	29.38
- Others	14.30	9.68
Liabilities no longer required	379.82	120.37
Rental Income	370.80	288.69
Discount received	68.57	11.16
Gain on sales of fixed assets (net)	6.86	11.58
Dividend Income	76.13	-
Gain on Mutual Fund Investments (Net)	32.10	-
Tools Development cost received	7.35	157.10
Net gain on foreign currency transaction and translation	1.72	-
Miscellaneous income	422.34	421.97
Total	**1,524.30**	**1,049.93**

25. Cost of raw materials and components consumed

Raw material and components consumed

	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventory at the beginning of the year	2,260.36	2,253.39
Add: Purchases	66,036.43	54,103.51
Less: Inventory at the end of the year	(4,005.95)	(2,260.36)
Cost of raw materials and components consumed	**64,290.84**	**54,096.54**

26. Cost of moulds consumed

	For the year ended March 31, 2018	For the year ended March 31, 2017
Inventory at the beginning of the year	802.83	751.46
Add: Purchases made during the year	1,271.04	991.61
Less: Inventory at the end of the year	(707.13)	(802.82)
Cost of moulds consumed	**1,366.74**	**940.25**

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

27. (Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods

	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening stock		
- Finished goods	650.84	538.33
-Traded Goods	1,222.40	1,748.62
- Work-in progress	257.86	269.33
Total (A)	**2,131.10**	**2,556.28**
Closing stock		
- Finished goods	1,037.96	650.84
-Traded Goods	1,342.35	1,222.40
- Work-in progress	355.40	257.86
Total (B)	**2,735.71**	**2,131.10**
Changes in inventories of finished goods		
- Finished goods	(387.12)	(112.51)
- Traded Goods	(119.95)	526.22
- Work-in progress	(97.54)	11.47
(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods (A-B)	**(604.62)**	**425.18**

28. Employee benefits expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages and bonus	9,946.75	8,637.50
Contributions to provident and other funds	415.95	369.25
Gratuity expense (note 39)	204.42	133.32
Staff welfare expense	533.32	411.35
Total	**11,100.44**	**9,551.42**

29. Finance costs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest on term loans	60.05	181.26
Interest on working capital	95.54	88.93
Interest paid to others	125.68	112.37
Total	**281.27**	**382.56**

30. Depreciation and amortization expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of Property plants, and equipment's (note 3.1.1)	2,383.39	2,188.79
Depreciation on investment property	57.41	57.23
Amortization of intangible assets (note 4)	84.96	106.94
Total	**2,525.76**	**2,352.96**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

31. Other expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Freight and forwarding charges	1,786.18	1,745.34
Job-work charges	1,828.54	1,264.27
Power and fuel	1,680.40	1,419.44
Consumables	793.48	701.92
Travelling and conveyance	628.31	627.90
Packing material consumed	958.94	947.05
Royalty	137.80	110.81
Rent	398.67	436.64
Legal and professional fees	405.38	589.38
Repairs and maintenance		
- Plant and machinery	832.39	559.93
- Building	149.40	122.92
- Others	280.08	348.09
Communication cost	101.32	103.11
Rates and taxes	146.19	107.65
Payment to auditors (refer detail below)*	71.64	58.13
Insurance	92.71	65.65
CSR expenditure (refer details below)**	99.26	78.08
Printing and stationery	65.23	56.62
Advertisement and sales promotion	36.65	51.51
Director's sitting fees	9.00	11.21
Testing Charges	102.19	-
Management fees	0.93	298.62
Decrease of excise duty on inventory	(21.09)	(2.06)
Loss on sales of fixed assets (net)	14.92	-
Exchange difference (net)	71.76	(18.01)
Provision for bad debt	189.04	17.93
Research and Development expenses	240.83	218.01
Miscellaneous expenses	974.75	805.25
Total	**12,074.90**	**10,725.39**

*** Payment made to auditors is as follows:**

	For the year ended March 31, 2018	For the year ended March 31, 2017
Auditor of holding company		
- Audit fee	29.00	25.00
- Limited review	10.50	10.50
- Tax audit fee	1.50	1.50
In other capacity	-	
- Reimbursement of expenses	5.04	1.07
Auditor of subsidiaries and joint venture		
- Audit fee	11.68	9.89
- Limited review	4.80	4.80
- Tax audit fee	1.92	1.92
In other capacity		
- Certification and Other Services	7.20	3.45
Total	**71.64**	**58.13**

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

**** Details of CSR expenditure:**

	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Gross amount required to be spent by the group during the year	98.47	96.41
(b) Amount spent during the year ending on March 31, 2018:		
i) Construction/acquisition of any asset		
ii) On purposes other than (i) above In cash	99.26	78.08
Total	**99.26**	**78.08**

32. Exceptional item

	For the year ended March 31, 2018	For the year ended March 31, 2017
Employee separation cost *	227.50	322.41
Profit on Sales of investment	-	(3.30)
Total	**227.50**	**319.11**

*Exceptional loss in the current year represents an estimated provision, the Company has made on a conservative basis to meet any possible liability arising out of employee severance compensation in respect of the closure of one of the units of the Company in the earlier year.

33. Components of Other Comprehensive Income (OCI)

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

Particulars	Retained earnings	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Re-measurement gains/ (losses) on defined benefit plans	36.39	(48.76)
Deferred tax thereon	(13.60)	16.20
Gain on FVTOCI equity securities	4,247.39	5,046.59
Deferred tax thereon	(207.91)	(2.46)
	4,062.27	**5,011.57**

34. Earnings per share (EPS)

a) Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

b) Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit attributable to the equity holders of the Company (A)	4,874.37	3,449.81
Weighted average number of equity shares for basic and diluted EPS (in Lacs) (B)	136.32	136.32
Basic and diluted earnings per share (face value Rs 10 per share)-(A)/(B)	**35.76**	**25.31**

d) There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements except as disclosed in note 16 to the financials statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

35. Research and development cost

The Group's business research and development concentrates on the development of Automotive equipment. Research and development costs that are not eligible for capitalisation have been expensed in the period incurred (during the year ended March 31, 2018 this was an amount of Rs 240.83 Lacs (March 31, 2017: Rs 218.01 Lacs), and they are recognised in other expenses.

36. Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries and Joint venture listed in the table below:

	Principal activities	Relationship	Country of incorporation	% Equity interest		
				March 31, 2018	March 31, 2017	April 1, 2016
Lumax DK Auto Industries Limited	Manufacturer of Automotive components	Subsidiary	India	100	100	100
Lumax Integrated Ventures Private Limited	Investment company	Subsidiary	India	100	100	100
Lumax Management Services Private Limited	Service Provider	Subsidiary	India	100	100	-
Lumax Mannoh Allied Technologies Limited	Manufacturer of Automotive components	Subsidiary	India	55	55	55
Lumax Cornaglia Auto Technologies Private Limited	Manufacturer of Automotive components	Subsidiary*	India	50	50	50
Lumax Gill - Austem Auto Technologies Private Limited	Manufacturer of Automotive components	Joint Venture	India	50	50	50

* Lumax Cornaglia Auto Technologies Private Limited established as an subsidiary of the group due to the exercise of the casting vote.

37. Financial information of subsidiaries

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

a. Proportion of equity interest held by non-controlling interests:

	Principal activities	Relationship	Country of incorporation	% Equity interest		
				March 31, 2018	March 31, 2017	April 1, 2016
Lumax Mannoh Allied Technologies Limited	Manufacturer of Automotive components	Subsidiary	India	45	45	45
Lumax Cornaglia Auto Technologies Private Limited	Manufacturer of Automotive components	Subsidiary	India	50	50	50

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

b. Information regarding non-controlling interest

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Accumulated balances of material non-controlling interest	3,028.25	2,188.14	1,597.00
Profit/(loss) allocated to material non-controlling interest			
- Lumax Mannoh Allied Technologies Limited	635.51	448.27	240.31
- Lumax Cornaglia Auto Technologies Private Limited	204.60	131.50	81.89

c. Summarised statement of profit and loss for the year ended March 31, 2018

	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Private Limited	Lumax Management Services Private Limited	Lumax Cornaglia Auto Technologies Private Limited
Total Revenue	35,945.13	13,908.01	202.33	2,478.40	4,909.95
Cost of raw material and components consumed	(26,269.05)	(8,447.13)	(150.16)	-	(2,978.50)
Other expenses	(7,420.39)	(3,396.61)	(52.11)	(1,958.72)	(1,369.10)
Finance costs	-	-	0.00	(10.02)	(1.79)
Profit before tax	**2,255.69**	**2,064.27**	**0.06**	**509.66**	**560.56**
Income tax	(782.33)	(655.11)	(0.50)	(147.44)	(155.09)
Profit for the year	1,473.36	1,409.16	(0.44)	362.22	405.47
Total comprehensive income	**10.55**	**3.09**	**-**	**(15.21)**	**3.72**
Attributable to non-controlling Interests	-	635.51	-	-	204.60
Dividends paid to non-controlling Interests	-	-	-	-	-

d. Summarised statement of profit and loss for the year ended March 31, 2017

	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Private Limited	Lumax Management Services Private Limited	Lumax Cornaglia Auto Technologies Private Limited
Revenue	37,752.87	11,868.29	366.14	1,259.39	4,335.47
Cost of raw material and components consumed	(27,030.99)	(6,678.56)	(294.27)	-	(2,520.92)
Other expenses	(8,339.30)	(3,732.54)	(110.11)	(854.07)	(1,434.67)
Finance costs	-	-	-	(6.03)	(21.94)
Profit before tax	**2,382.58**	**1,457.19**	**(38.24)**	**399.28**	**357.93**
Income tax	(660.78)	(466.64)	8.25	(156.04)	(95.98)
Profit for the year	1,721.80	990.55	(29.99)	243.24	261.95
Total comprehensive income	**1,717.56**	**996.17**	**(29.99)**	**242.62**	**263.15**
Attributable to non-controlling interests	-	448.27	-	-	131.58
Dividends paid to non-controlling interests	-	-	-	-	-

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

e. Summarised balance sheet as at March 31, 2018

	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Private Limited	Lumax Management Services Private Limited	Lumax Cornaglia Auto Technologies Private Limited
Inventories and cash and cash equivalents (current)	2,443.94	2,874.46	164.11	42.08	1,011.37
Property, plant and equipment and other non-current financial assets (non-current)	20,439.44	3,842.15	96.68	2,802.61	3,230.10
Trade and other payable (current)	(5,844.07)	(3,293.19)	(184.41)	(1,104.28)	(1,464.64)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(792.61)	(102.28)	-	(754.08)	(174.10)
Total equity	**16,246.70**	**3,321.14**	**76.38**	**986.33**	**2,602.73**
Attributable to:					
Equity holders of parent	16,246.70	1,826.63	76.38	986.33	1,301.36
Non-controlling interest	-	1,494.51	-	-	1,301.36

f. Summarised balance sheet as at March 31, 2017

	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Private Limited	Lumax Management Services Private Limited	Lumax Cornaglia Auto Technologies Private Limited
Inventories and cash and cash equivalents (current)	2,535.34	1,951.75	228.69	37.14	900.22
Property, plant and equipment and other non-current financial assets (non-current)	17,779.40	2,430.59	147.88	1,266.69	2,562.63
Trade and other payable (current)	(4,057.88)	(2,006.93)	(311.91)	(597.90)	(1,136.40)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(728.52)	(110.45)	-	(66.60)	(132.91)
Total equity	**15,528.34**	**2,264.96**	**64.66**	**639.33**	**2,193.54**
Attributable to:					
Equity holders of parent	15,528.34	1,245.73	64.66	639.33	1,096.77
Non-controlling interest	-	1,019.23	-	-	1,096.77

g. Summarised balance sheet as at April 01, 2016

	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Private Limited	Lumax Cornaglia Auto Technologies Private Limited
Inventories and cash and cash equivalents (current)	1,522.35	792.87	164.43	789.21
Property, plant and equipment and other non-current financial assets (non-current)	17,574.84	2,093.93	139.00	2,428.61
Trade and other payable (current)	(4,544.65)	(1,516.75)	(268.49)	(1,194.80)
Interest-bearing loans and borrowing and deferred tax liabilities (non-current)	(741.76)	(101.25)	-	(144.63)
Total equity	**13,810.78**	**1,268.80**	**34.94**	**1,878.39**
Attributable to:				
Equity holders of parent	13,810.78	697.84	34.94	939.20
Non-controlling interest	-	570.96	-	939.20

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

h. Summarised Cash flow for the year ended March 31, 2018

	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Private Limited	Lumax Management Services Private Limited	Lumax Cornaglia Auto Technologies Private Limited
Operating activities	2,149.88	1,176.88	(5.18)	158.76	569.17
Investing activities	(1,140.34)	(527.40)	(6.42)	(831.27)	(515.55)
Financing activities	(765.53)	(356.07)	(22.40)	677.46	11.28
Net increase/(decrease) in cash and cash equivalents	**244.01**	**293.41**	**(34.00)**	**4.94**	**64.90**

i. Summarised Cash flow for the year ended March 31, 2017

	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Private Limited	Lumax Management Services Private Limited	Lumax Cornaglia Auto Technologies Private Limited
Operating activities	2,340.63	839.01	(35.36)	471.57	156.2
Investing activities	(2,145.93)	(590.55)	(9.75)	(349.38)	(261.39)
Financing activities	-	-	80.00	(104.00)	74.43
Net increase/(decrease) in cash and cash equivalents	**194.70**	**248.46**	**34.89**	**18.19**	**(30.76)**

38. Interest in joint venture

The Group has a 50% interest in Lumax Gill - Austem Auto Technologies Private Limited, a joint venture involved in the manufacture of some of the Group's main product lines in automotive equipment in India. The Group's interest in Lumax Gill - Austem Auto Technologies Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

a) Summarised balance sheet as at March 31, 2018 of Lumax Gill - Austem Auto Technologies Private Limited

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current assets, including cash and cash equivalents Rs 274.10 Lacs (March 31, 2017 : Rs 197.19 Lacs, April 01, 2016: 4.21 Lacs)	1,803.48	3,821.42	1,460.55
Non-current assets	400.26	802.91	611.16
Current liabilities	(819.29)	(2,943.53)	(1,284.68)
Non-current liabilities, including deferred tax liabilities nil (March 31, 2017: Rs 31.53 Lacs, April 01, 2016: 5.27 Lacs) and borrowing Rs nil (March 31, 2017: Rs 180 Lacs, April 01, 2016: 298.44 Lacs)	(2.71)	(212.89)	(304.60)
Equity	1,381.74	1,467.91	482.43
Proportion of the Group's ownership	50%	50%	50%
Carrying amount of the investment	690.87	733.66	241.22

(Amount in Rs Lacs, unless otherwise stated)

b) Summarised statement of profit and loss of the Lumax Gill - Austem Auto Technologies Private Limited:

	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue	6,314.46	7,127.16
Cost of raw material and components consumed	4,206.50	4,239.52
Excise duty on sale of goods	260.85	803.13
Depreciation & amortization	490.29	180.40
Finance cost	24.88	51.37
Employee benefit	347.62	200.21
Other expense	1,106.25	787.76
Profit before tax	**(121.93)**	**864.75**
Income tax expense	(35.75)	279.21
Profit for the year	**(86.19)**	**585.55**
Total comprehensive income for the year	**0.02**	**(0.07)**
Group's share of (Loss) / profit for the year	**(43.08)**	**292.74**

The group had no contingent liabilities or capital commitments relating to its interest in Lumax Gill - Austem Auto Technologies Private Limited as at March 31, 2018 and 2017 and April 01, 2016. The joint venture had no other contingent liabilities or capital commitments as at March 31, 2018, March 31, 2017 and April 01, 2016, except as disclosed in Note 41 and 40. Lumax Gill - Austem Auto Technologies Private Limited cannot distribute its profits until it obtains the consent from the two venture partners.

c) Lumax Sipal Engineering Private Limited being step down associate of Lumax Integrated Ventures Private Limited has not been presented as a part of the above disclosure.

39. Gratuity and other post-employment benefit plans

The Company offers the employee benefit schemes of Gratuity to its employees. Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

a) During the year, the Company has recognized the following amounts in the statement of profit and loss :

Defined contribution plans

	As at March 31, 2018	As at March 31, 2017
Employer's contribution to providend fund and other funds	415.95	369.25

b) The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

	As at March 31, 2018	As at March 31, 2017
	Gratuity	Gratuity
Gratuity		
Cost for the year included under employee benefit		
Current service cost	131.51	89.63
Past service cost	54.98	23.91

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(Amount in Rs Lacs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
	Gratuity	Gratuity
Interest cost	27.43	19.78
Transfer in/out	(9.50)	-
Net benefit expense	**204.42**	**133.32**
Leave encashment		
Current service cost	68.94	63.50
Interest cost	18.74	15.62
Actuarial (Gain) / Loss	(40.17)	(8.93)
Net benefit expense	**47.51**	**70.19**

c) Amounts recognised in statement of other comprehensive income (OCI)

	As at March 31, 2018	As at March 31, 2017
	Gratuity	Gratuity
Amounts recognised in statement of other comprehensive income (OCI)		
Opening amount recognised in OCI outside statement of profit and loss		
Remeasurement for the year - Obligation (Gain) / Loss	(33.48)	52.28
Remeasurement for the year - Plan Assets (Gain) / Loss	(2.92)	3.68
Total remeasurement Cost / (Credit) for the year recognised in OCI	(36.40)	55.96
Closing amount recognised in OCI outside statement of profit and loss	(46.58)	43.69

d) Mortality table

	As at March 31, 2018	As at March 31, 2017
	Gratuity	Gratuity
Mortality table	IALM(2006-08) ult	IALM(2006-08) ult
Economic assumptions		
1 Discount rate	7.6%	7%
2 Rate of increase in compensation	7%	7%
3 Rate of return on plan assets	7%	7.6%
Demographic assumptions		
1 Expected average remaining working lives of employees (years)	9.59	9.65
2 Retirement Age (years)	58 years	58 years
3 Mortality Rate	**Indian Assured Lives Mortality (2006-08) (modified) ultimate**	
Withdrawal Rate		
1 Upto 30 years	8%	8%
2 Ages from 31-40	8%	8%
3 Ages from 41-50	8%	8%
4 Above 50 years	8%	8%

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

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for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

e) Net (assets) / liabilities recognized in the Balance Sheet and experience adjustments on actuarial gain / (loss) for benefit obligation ("DBO") and plan assets.

i) Gratuity

	As at March 31, 2018	As at March 31, 2017
Benefit obligation as at the beginning of the year	939.00	887.02
Transfer in/(out)	(9.40)	-
Current service cost	152.71	113.53
Interest cost	64.16	63.98
Benefit paid	(95.64)	(59.44)
Settlement cost	34.74	(121.80)
Actuarial loss/(gain)	(32.50)	55.70
Net liability	**1,053.07**	**938.99**

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

	As at March 31, 2018	As at March 31, 2017
Opening fair value of plan assets	502.55	598.30
Transfer in/(out)	(11.65)	-
Expected return on plan assets	36.72	44.09
Contribution made during the year	107.78	44.31
Benefits paid	(81.69)	(57.67)
Morality charges	(3.54)	(3.11)
Amount paid on settlement	-	(121.80)
Actuarial gain on plan assets	4.25	(1.57)
Net assets	**554.42**	**502.55**

g) Benefit asset / liability :

	As at March 31, 2018	As at March 31, 2017
Present value of defined benefit obligation	1,053.07	938.99
Fair value of plan assets	(554.42)	(502.55)
Net (assets) / liability	**498.65**	**436.44**

h) Major category of plan assets (As a % of total plan assets)

	As at March 31, 2018	As at March 31, 2017
Investment with the insurer	100%	100%

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

i) A quantitative sensitivity analysis for significant assumption as at March 31, 2018 and March 31, 2017 is as shown below:

	As at March 31, 2018	As at March 31, 2017
	Gratuity	Gratuity
A. Discount rate		
Effect on DBO due to 1% increase in Discount Rate	442.33	449.49
Effect on DBO due to 1% decrease in Discount Rate	543.00	531.09
B. Salary escalation rate		
Effect on DBO due to 1% increase in Salary Escalation Rate	533.05	521.20
Effect on DBO due to 1% decrease in Salary Escalation Rate	449.90	457.17
C. Withdrawal rate		
Effect on DBO due to 1% increase in Withdrawal rate	489.20	488.24
Effect on DBO due to 1% decrease in Withdrawal rate	490.29	487.82
Disclosure regarding the Actuarial Gain and Loss (Ind AS Effect)		

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

	As at March 31, 2018	As at March 31, 2017
March 31, 2018	-	92.21
March 31, 2019	124.89	114.86
March 31, 2020	113.66	115.43
March 31, 2021	134.35	134.08
March 31, 2022	140.28	141.45
March 31, 2023	140.66	35.80
March 31, 2023 to March 31, 2027	-	772.63
March 31, 2024 to March 31, 2028	848.21	-

40. Commitments and contingencies

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

Capital commitments are Rs 2749.79 Lacs (March 31, 2017: Rs 104.95 Lacs; April 1, 2016: Rs 125.79 Lacs), net of advances.

b) Commitments relating to lease arrangements

Operating lease commitments - Company as lessee

The total rent expense under these agreements during the year ended March 31, 2018 is Rs 398.67 Lacs ; March 31, 2017 Rs 436.64 Lacs.)

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

41. Contingent liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Claims against the group not acknowledged as debts			
Holding Company			
Company has received assessment order from Maharashtra Value Added Tax department in the current year towards dis-allowance of Input Tax Credit availed by Company alongwith interest and penalty for Financial Year 2013-14, amounting to Rs 88.02 Lacs. The Company is in process of filing an appeal against the said order with appropriate authorities.	88.02	-	-
In respect of assessment year ("A.Y.") 2010 - 11, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 amounting to Rs 4.35 Lacs against which demand raised against the same amounting to Rs 1.18 Lacs. The Company has preferred an appeal with Commissioner of Income Tax (Appeals) "(CIT(A))" against the same and got short relief of Rs 2.94 Lacs. For the remaining tax demand Company has preferred an appeal with ITAT in the current year.	1.00	1.18	1.18
In respect of A.Y. 2012 - 13, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to Rs 11.85 Lacs against which demand raised for tax amounting Rs 3.85 Lacs. The Company has preferred an appeal with CIT(A) against the same. The Company has preferred an appeal with ITAT against order of CIT(A) but no relief is allowed to the Company till date.	3.85	3.85	3.85
In respect of A.Y. 2013 - 14, the assessing officer has added to the income of the Company, a notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to Rs 11.31 Lacs against which demand raised for tax amounting Rs 3.84 Lacs. The Company had preferred an appeal with CIT(A). During the previous year CIT(A) has been allowed in favour of Company by CIT(A) vide their letter dated February 7, 2017.	-	-	3.84
Deputy Commissioner (Central Excise) had raised a demand in respect of reversal of CENVAT pertaining to exempted services relating to the period from October 2008 to July 2013. The Company had filed the appeal with Commissioner (Appeals) in earlier years and Commissioner (Appeals) has allowed the said appeal in previous year and passed the order in favour of Company vide letter dated June 28, 2016.	-	-	10.42
Deputy Commissioner (Central Excise) had raised a demand in respect of reversal of CENVAT of 6% pertaining to trading activities relating to the period from May 2014 to September 2015. The Company had filed the appeal with Commissioner (Appeals) and Commissioner Appeals has allowed the said appeal in previous year and passed the order in favour of Company vide letter dated July 14, 2016.	-	-	0.93

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Subsidiary Company			
Income Tax (A.Y. - 2003-04, 2007-08, 2010-11, 2012-13 & 2013-14) Recoverable from Stanley Electric Co. Ltd., Japan & Thai Stanley Electric Public Co. Ltd , Thailand [erstwhile shareholders of Stanley Electric Engineering India Pvt. Ltd. (which was acquired by LDK)] pursuant to share Transfer Agreement dated December 12, 2012.	477.95	477.95	484.91
Demand from Employee State Insurance	0.90	0.90	0.90

The Group and its jointly controlled entities on the basis of current status of the cases and legal advice, is confident that there would not be any probable outflow of resources in these matters.

42. Related party disclosure

Names of related parties and related party relationship

S.No.	Relationship	Name of Related Parties
1	Key Management Personnel	Mr. Dhanesh Kumar Jain (Chairman)
		Mr. Anmol Jain (Managing Director)
		Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year
		Mr. Ashish Dubey (Chief Financial Officer)
		Ms. Swapnal Patane (Company Secretary)
2	Relatives of Key Management Personnel	Mr. Deepak Jain (Son of Mr. D.K. Jain, Brother of Mr. Anmol Jain)
		Mrs. Shivani Jain (Wife of Mr. Anmol Jain)
		Mrs. Usha Jain (Wife of Mr.D.K.Jain)
3	Joint Venture	Lumax Gill Austem Auto Technologies Private Limited (LGAT")
4	Associate of step down subsidiary (Associate of "LIV")	Lumax Sipal Engineering Private Limited.
5	Enterprises owned or significantly influenced by Key Management Personnel and / or their relatives	Lumax Industries Limited
		Lumax Finance Private Limited
		Lumax Ancillary Limited
		Mahavir Udyog
		D. K. Jain & Sons
		Bharat Enterprises
		Dhanesh Kumar Jain & Family Trust
		Lumax Tours & Travels Limited
		Lumax Charitable Foundation

LUMAX

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Account Head	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influnced by Key Management Personnel or their relatives		Joint Venture (Including Joint venture of Step down subsidiary)		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
TRANSACTIONS										
Sale of Raw Materials and Components										
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	24.00	236.62	24.00	236.62
Lumax Industries Ltd	-	-	-	-	11,488.82	9,405.89	-	-	11,488.82	9,405.89
Lumax Ancillary Ltd	-	-	-	-	287.33	431.93	-	-	287.33	431.93
Total	**-**	**-**	**-**	**-**	**11,776.15**	**9,837.82**	**24.00**	**236.62**	**11,800.15**	**10,074.44**
Sale of Finished Goods										
Lumax Industries Ltd	-	-	-	-	12,466.00	4,423.03	-	-	12,466.00	4,423.03
Lumax Ancillary Ltd	-	-	-	-	300.98	230.44	-	-	300.98	230.44
Total	**-**	**-**	**-**	**-**	**12,766.98**	**4,653.47**	**-**	**-**	**12,766.98**	**4,653.47**
Sale of Traded Goods										
Lumax Industries Limited	-	-	-	-	22.13	18.17	-	-	22.13	18.17
Lumax Charitable Foundation	-	-	-	-	0.16	5.07	-	-	0.16	5.07
Lumax Ancillary Limited	-	-	-	-	1.73	0.58	-	-	1.73	0.58
Total	**-**	**-**	**-**	**-**	**24.02**	**23.82**	**-**	**-**	**24.02**	**23.82**
Sale of Capital Goods										
Lumax Industries Limited	-	-	-	-	53.36	9.27	-	-	53.36	9.27
Lumax Ancillary Limited	-	-	-	-	7.48	-	-	-	7.48	-
Lumax Tours And Travels Limited	-	-	-	-	0.28	-	-	-	0.28	-
Lumax Energy Solutions Private Limited	-	-	-	-	-	3.24	-	-	-	3.24
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	0.59	-	0.59	-
Total	**-**	**-**	**-**	**-**	**61.12**	**12.51**	**0.59**	**-**	**61.71**	**12.51**
Sale of Packing Material										
Lumax Industries Ltd	-	-	-	-	7.30	-	-	-	7.30	-
Lumax Ancillary Ltd	-	-	-	-	2.77	-	-	-	2.77	-
Total	**-**	**-**	**-**	**-**	**10.07**	**-**	**-**	**-**	**10.07**	**-**
Availling of Services										
Lumax Industries Limited	-	-	-	-	14.94	24.39	-	-	14.94	24.39
Lumax Tours & Travels Limited	-	-	-	-	216.52	204.27	-	-	216.52	204.27
Lumax Sipal Engineering Private Limited	-	-	-	-			3.05	-	3.05	-
Total	**-**	**-**	**-**	**-**	**231.46**	**228.66**	**3.05**	**-**	**234.51**	**228.66**
Rendering of Services										
Lumax Industries Limited	-	-	-	-	1,485.09	1,121.00	-	-	1,485.09	1,121.00
Lumax Ancillary Limited	-	-	-	-	-	1.44	-	-	-	1.44
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	470.79	304.50	470.79	304.50
Lumax Tours & Travels Ltd	-	-	-	-	1.58	-	-	-	1.58	-
Total	**-**	**-**	**-**	**-**	**1,486.67**	**1,122.44**	**470.79**	**304.50**	**1,957.46**	**1,426.94**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Account Head	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture (Including Joint venture of Step down subsidiary)		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Rent Received.										
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	242.80	161.60	242.80	161.60
Lumax Industries Ltd	-	-	-	-	191.98	170.90	-	-	191.98	170.90
Lumax Tours & Travels Ltd	-	-	-	-	2.81	-	-	-	2.81	-
Total	-	-	-	-	**194.79**	**170.90**	**242.80**	**161.60**	**437.59**	**332.50**
Rent Paid										
Mrs. Usha Jain	-	-	29.39	24.69	-	-	-	-	29.39	24.69
Lumax Industries Ltd	-	-	-	-	56.71	116.39	-	-	56.71	116.39
Total	-	-	**29.39**	**24.69**	**56.71**	**116.39**	-	-	**86.10**	**141.08**
Purchases of Raw Materials and Components										
Lumax Industries Ltd	-	-	-	-	3,074.78	785.63	-	-	3,074.78	785.63
Lumax Ancillary Ltd	-	-	-	-	4,982.21	4,460.69	-	-	4,982.21	4,460.69
Bharat Enterprises	-	-	-	-	146.59	133.33	-	-	146.59	133.33
Mahavir Udyog	-	-	-	-	-	0.42	-	-	-	0.42
Total	-	-	-	-	**8,203.58**	**5,380.07**	-	-	**8,203.58**	**5,380.07**
Purchases of Finished Goods										
Lumax Industries Ltd	-	-	-	-	5,278.08	4,248.75	-	-	5,278.08	4,248.75
Lumax Ancillary Ltd	-	-	-	-	783.60	490.39	-	-	783.60	490.39
Bharat Enterprises	-	-	-	-	-	3.79	-	-	-	3.79
Total	-	-	-	-	**6,061.68**	**4,742.93**	-	-	**6,061.68**	**4,742.93**
Purchases of other										
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	6.21	-	6.21	-
Lumax Industries Ltd	-	-	-	-	-	9.07	-	-	-	9.07
Lumax Ancillary Ltd	-	-	-	-	1.29	1.21	-	-	1.29	1.21
Total	-	-	-	-	**1.29**	**10.28**	**6.21**	-	**7.50**	**10.28**
Reimbursement of expenses										
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	22.59	9.15	22.59	9.15
Lumax Industries Ltd	-	-	-	-	62.53	24.63	-	-	62.53	24.63
Lumax Ancillary Ltd	-	-	-	-	0.78	0.55	-	-	0.78	0.55
Lumax Tours & Travels Ltd	-	-	-	-	1.72	-	-	-	1.72	-
Mahavir Udyog	-	-	-	-	-	0.02	-	-	-	0.02
Total	-	-	-	-	**65.03**	**25.20**	**22.59**	**9.15**	**87.62**	**34.35**
Purchase of Capital Goods										
Lumax Industries Limited	-	-	-	-	29.98	2.56	-	-	29.98	2.56
Total	-	-	-	-	**29.98**	**2.56**	-	-	**29.98**	**2.56**
Purchase of Packing Material										
Mahavir Udyog	-	-	-	-	42.34	18.20	-	-	42.34	18.20
Total	-	-	-	-	**42.34**	**18.20**	-	-	**42.34**	**18.20**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Account Head	Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture (Including Joint venture of Step down subsidiary)		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
CSR Expenditure										
Lumax Charitable Foundation	-	-	-	-	99.26	78.08	-	-	99.26	78.08
Total	**-**	**-**	**-**	**-**	**99.26**	**78.08**	**-**	**-**	**99.26**	**78.08**
Managerial Remuneration										
Mr.D.K.Jain	159.58	155.65	-	-	-	-	-	-	159.58	155.65
Mr.Anmol Jain	142.13	134.87	-	-	-	-	-	-	142.13	134.87
Mr. Deepak Jain	-	-	15.48	15.48	-	-	-	-	15.48	15.48
Mrs. Shivani Jain	-	-	127.55	133.08	-	-	-	-	127.55	133.08
Total	**301.71**	**290.52**	**143.03**	**148.56**	**-**	**-**	**-**	**-**	**444.74**	**439.08**
Commission Paid										
Mr. Anmol Jain	111.00	-	-	-	-	-	-	-	111.00	-
Mr. D.K.Jain	91.65	-	-	-	-	-	-	-	91.65	-
Mr. Deepak Jain	-	-	45.97	9.50	-	-	-	-	45.97	9.50
Total	**202.65**	**-**	**45.97**	**9.50**	**-**	**-**	**-**	**-**	**248.62**	**9.50**
Dividend Paid										
Mr. Anmol Jain	40.53	-	-	-	-	-	-	-	40.53	-
Mr. D.K.Jain	77.80	-	-	-	-	-	-	-	77.80	-
Mr. Deepak Jain	-	-	42.99	-	-	-	-	-	42.99	-
Mrs. Usha Jain	-	-	21.79	-	-	-	-	-	21.79	-
Mrs. Shivani Jain	-	-	2.12	-	-	-	-	-	2.12	-
D.K. Jain And Family Trust	-	-	-	-	1.92	-	-	-	1.92	-
D.K. Jain And Sons (HUF)	-	-	-	-	55.51	-	-	-	55.51	-
Lumax Finance Pvt. Ltd.	-	-	-	-	113.85	-	-	-	113.85	-
Total	**118.33**	**-**	**66.90**	**-**	**171.28**	**-**	**-**	**-**	**356.51**	**-**
Dividend Received										
Lumax Industries Ltd	-	-	-	-	76.13	-	-	-	76.13	-
Total	**-**	**-**	**-**	**-**	**76.13**	**-**	**-**	**-**	**76.13**	**-**
Expenditure Incurred on their behalf										
Lumax Industries Ltd	-	-	-	-	121.44	53.40	-	-	121.44	53.40
Lumax Ancillary Ltd	-	-	-	-	4.88	0.54	-	-	4.88	0.54
Lumax Tours And Travels Limited	-	-	-	-	1.66	0.95	-	-	1.66	0.95
Lumax Energy Solutions Private Limited	-	-	-	-	1.97	1.50	-	-	1.97	1.50
Lumax Charitable Foundation	-	-	-	-	-	13.96	-	-	-	13.96
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	5.00	-	5.00	-
Total	**-**	**-**	**-**	**-**	**129.95**	**70.35**	**5.00**	**-**	**134.95**	**70.35**

DK JAIN GROUP

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Account Head	Key Management Personnel			Relatives of Key Management Personnel			Enterprises owned or significantly influenced by Key Management Personnel or their relatives			Joint Venture (Including Joint venture of Step down subsidiary)			Total		
	March 31, 2018	March 31, 2017	April 1, 2016	**March 31, 2018**	March 31, 2017	April 1, 2016	**March 31, 2018**	March 31, 2017	April 1, 2016	**March 31, 2018**	March 31, 2017	April 1, 2016	**March 31, 2018**	March 31, 2017	April 1, 2016
BALANCES AT THE YEAR END															
Receivables															
Mahavir Udyog	-	-	-	-	-	-	-	0.02	-	-	-	-	-	0.02	-
Lumax Industries Limited	-	-	-	-	-	-	11,427.70	5,576.14	4,878.01	-	-	-	11,427.70	5,576.14	4,878.01
Lumax Ancillary Limited	-	-	-	-	-	-	131.66	128.81	161.41	-	-	-	131.66	128.81	161.41
Lumax Charitable Foundation	-	-	-	-	-	-	-	12.75	-	-	-	-	-	12.75	-
Lumax Sipal Engineering Private Limited	-	-	-	-	-	-	1.84	-	1.84	-	-	-	1.84	-	1.84
Lumax Tours & Travels Limited	-	-	-	-	-	-	2.29	-	-	-	-	-	2.29	-	-
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	-	73.37	69.10	38.01	73.37	69.10	38.01
Total	**-**	**-**	**-**	**-**	**-**	**-**	**11,563.49**	**5,717.72**	**5,041.26**	**73.37**	**69.10**	**38.01**	**11,636.86**	**5,786.82**	**5,079.27**
Investment															
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	-	690.87	733.66	241.22	690.87	733.66	241.22
Lumax Industries Limited	-	-	-	-	-	-	11,474.14	7,241.60	2,202.11	-	-	-	11,474.14	7,241.60	2,202.11
Lumax Sipal Engineering Private Limited	-	-	-	-	-	-	-	-	-	33.43	-	-	33.43	-	-
Lumax Ancillary Limited	-	-	-	-	-	-	533.34	518.49	511.37	-	-	-	533.34	518.49	511.37
Total	**-**	**-**	**-**	**-**	**-**	**-**	**12,007.48**	**7,760.09**	**2,713.48**	**724.30**	**733.60**	**241.22**	**12,731.78**	**8,493.70**	**2,954.70**
Payables															
Bharat Enterprises	-	-	-	-	-	-	38.13	27.79	37.65	-	-	-	38.13	27.79	37.65
Lumax Ancillary Limited	-	-	-	-	-	-	1,600.46	1,123.49	1,322.93	-	-	-	1,600.46	1,123.49	1,322.93
Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-		3.32	-	-	3.32	-	-
Lumax Industries Limited	-	-	-	-	-	-	3,573.18	1,597.20	1,628.80	-	-	-	3,573.18	1,597.20	1,628.80
Lumax Tours & Travels Limited	-	-	-	-	-	-	13.50	18.13	(1.93)	-	-	-	13.50	18.13	-1.98
Mahavir Udyog	-	-	-	-	-	-	22.64	7.23	2.86	-	-	-	22.64	7.23	2.86
Mr. D.K. Jain	118.33	27.43	45.71	-	-	-	-	-		-	-	-	118.33	27.43	45.71
Mr. Anmol Jain	130.39	14.56	11.64	-	-	-	-	-		-	-	-	130.39	14.56	11.64
Mr.Deepak Jain	-	-	-	47.14	10.31	29.52	-	-		-	-	-	47.14	10.31	29.52
Mrs. Usha Jain	-	-	-	3.53	-	-	-	-		-	-	-	3.53	-	-
Mrs. Shivani Jain	-	-	-	102.08	107.64	82.30	-	-		-	-	-	102.08	107.64	82.30
Total	**248.72**	**41.99**	**57.35**	**152.75**	**117.95**	**111.82**	**5,247.91**	**2,773.84**	**2,990.26**	**3.32**	**-**	**-**	**5,652.70**	**2,933.78**	**3,159.43**

Due to Adoption of Ind As following changes have been made in reporting period along with comparative period reported:

i) The group holds 50% equity interest in Lumax Cornaglia Auto Technologies Private Limited ("LCAT"). Under previous Indian GAAP, the Group has treated "LCAT" as its Joint Venture whereas under Ind AS, the group has treated "LCAT" as its subsidiary as the chairman of the holding company has casting voting right in LCAT.

ii) The group holds 50% interest in Lumax Gill - Austem Auto Technologies Private Limited ("LGAT") and exercises joint control over the entity. Under previous Indian-GAAP group has proportionately consolidated its interest in the LGAT in the Consolidated Financial Statement. On transition to Ind AS the group has assessed and determined that LGAT is its JV under Ind AS 111 Joint Arrangements. Therefore, it needs to be accounted for using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amount of assets and liabilities that the group had previously proportionately consolidated including any goodwill arising on acquisition.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

43. Segment Information

The Company had identified its primary business segment as trading & manufacturing of "Automobile 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.

Geographical segments:

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and presence in international markets is not significant. Its business is accordingly aligned geographically, catering primarily to India.

44. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, all equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders' value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. To maintain or adjust the capital structure, the Company reviews the fund management at regular intervals and take necessary actions to maintain the requisite capital structure.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

45. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

a) Fair value of financial assets:

Particulars	Carrying values			Fair values		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Financial assets measured at amortised cost (Refer to note 7 (a)						
Investments in Quoted equity instruments of other entities (valued at fair value through other comprehensive income)*	11,474.14	7,241.60	2,202.11	11,474.14	7,241.60	2,202.11
Investments in unquoted equity instruments of other entities (valued at fair value through other comprehensive income)*	533.34	518.49	511.37	533.34	518.49	511.37
Investments in mutual funds (Unquoted) valued at fair value	1,477.10	-	-	1,477.10	-	-
Loans	62.41	57.02	81.12	62.41	57.02	81.12
Trade receivables	28,057.42	15,546.35	17,671.49	28,057.42	15,546.35	17,671.49
Cash and cash equivalents	2,234.09	2,104.34	1,143.91	2,234.09	2,104.34	1,143.91
Other Bank Balances	1,637.98	1,920.67	130.24	1,637.98	1,920.67	130.24

Notes to the Consolidated Financial Statements

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(Amount in Rs Lacs, unless otherwise stated)

Particulars	Carrying values			Fair values		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Other Financial assets	103.56	28.79	63.83	103.56	28.79	63.83
Security deposit	334.54	268.87	240.72	334.54	268.87	240.72
Total (A+B)	**45,914.58**	**27,686.13**	**22,044.79**	**45,914.58**	**27,686.13**	**22,044.79**

b) Fair value of financial liabilities:

	Carrying values			Fair values		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial liabilities measured at amortised cost (Refer to note 20(a)						
Borrowings non current	790.15	141.17	1,339.71	790.15	141.17	1,339.71
Borrowings current	-	2,000.00	166.40	-	2,000.00	166.40
Current maturity of long term loan	287.61	1,380.96	1,328.99	287.61	1,380.96	1,328.99
Trade payables	27,029.86	14,133.17	17,132.93	27,029.86	14,133.17	17,132.93
Accrued salaries and benefits to employees	1,693.29	463.97	390.99	1,693.29	463.97	390.99
Unsecured deposits from customers	427.09	427.92	381.06	427.09	427.92	381.06
Unpaid dividends	12.15	9.52	11.31	12.15	9.52	11.31
Amount payable for property, plant and equipment	931.26	128.48	359.30	931.26	128.48	359.30
Total	**31,171.41**	**18,685.19**	**21,110.69**	**31,171.41**	**18,685.19**	**21,110.69**

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

** The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

Management has assessed that remaining financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Notes to the Consolidated Financial Statements
for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

46. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

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

Quantitative disclosures fair value measurement hierarchy for Financial assets as at March 31, 2018:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value note 6				
Quoted equity shares				
Investments in equity instruments of other entities *(at fair value through other comprehensive income)*	11,474.14	11,474.14	-	-
Unquoted Equity Shares				
Investments in unquoted equity instruments of other entities *(at fair value through other comprehensive income)*	533.34	-	533.34	-
Mutual Fund				
Investments in mutual fund(Unquoted) *(at fair value through statement of Profit and loss)*	1,477.10	-	1,477.10	-
Others				
Loans	62.41	-	-	-
Trade receivables	28,057.42	-	-	-
Cash and cash equivalents	2,234.09	-	-	-
Other Bank Balances	1,637.98	-	-	-
Other Financial assets	103.56	-	-	-
Security deposit	334.54	-	-	-
Total	**45,914.58**	**11,474.14**	**2,010.44**	**-**

Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at March 31, 2018:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value (Refer to note 21(a)				
Borrowings non current	790.15	-	-	-
Current maturity of long term loan	287.61			
Trade payables	27,029.86	-	-	-
Accrued salaries and benefits to employees	1,693.29	-	-	-
Unsecured deposits from customers	427.09	-	-	-
Unpaid dividends	12.15	-	-	-
Amount payable for property, plant and equipment	931.26	-	-	-
Total	**31,171.41**	**-**	**-**	**-**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for Financial assets as at March 31, 2017:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value note 6				
Quoted equity shares				
Investments in equity instruments of other entities *(at fair value through other comprehensive income)*	7,241.60	7,241.60		
Investments in unquoted equity instruments of other entities *(valued at fair value through other comprehensive income)**	518.49		518.49	
Others				
Loans	57.02	-	-	-
Trade receivables	15,546.35			
Cash and cash equivalents	2,104.34	-	-	-
Other Bank Balances	1,920.67	-	-	-
Other Financial assets	28.79	-	-	-
Security deposit	268.87	-	-	-
Total	**27,686.13**	**7,241.60**	**518.49**	**-**

Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at March 31, 2017:

	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value (Refer to note 21(a)				
Borrowings non current	141.17	-	-	-
Borrowings current	2,000.00	-	-	-
Current maturity of long term loan	1,380.96			
Trade payables	14,133.17	-	-	-
Accrued salaries and benefits to employees	463.97	-	-	-
Unsecured deposits from customers	427.92	-	-	-
Unpaid dividends	9.52	-	-	-
Amount payable for property, plant and equipment	128.48	-	-	-
Total	**18,685.19**	**-**	**-**	**-**

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(Amount in Rs Lacs, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for Financial assets as at April 01, 2016:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value note 6				
Quoted equity shares				
Investments in equity instruments of other entities *(at fair value through other comprehensive income)**	2,202.11	2,202.11	-	-
Investments in unquoted equity instruments of other entities *(valued at fair value through other comprehensive income)**	511.37		511.37	
Others				
Loans	81.12	-	-	-
Trade receivables	17,671.49	-	-	-
Cash and cash equivalents	1,143.91	-	-	-
Other Bank Balances	130.24	-	-	-
Other Financial assets	63.83	-	-	-
Security deposit	240.72	-	-	-
Total	**22,044.79**	**2,202.11**	**511.37**	**-**

Quantitative disclosures fair value measurement hierarchy for Financial liabilities as at April 01, 2016:

Particulars	Total (Carrying Value)	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value (Refer to note 21(a)				
Borrowings non current	1,339.71	-	-	-
Borrowings current	166.40	-	-	-
Current maturity of long term loan	1,328.99			
Trade payables	17,132.93	-	-	-
Accrued salaries and benefits to employees	390.99	-	-	-
Unsecured deposits from customers	381.06	-	-	-
Unpaid dividends	11.31	-	-	-
Amount payable for property, plant and equipment	359.30	-	-	-
Total	**21,110.69**	**-**	**-**	**-**

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

Management has assessed that remaining financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes to the Consolidated Financial Statements

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(Amount in Rs Lacs, unless otherwise stated)

47. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year			
- Principal amount due to micro and small enterprises	811.63	287.79	832.43
- Interest due on above	7.74	17.19	-
	819.37	**304.98**	**832.43**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	17.19	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	7.74	0.04	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-

(Amount in Rs Lacs, unless otherwise stated)

48. Additional information pursuant to Schedule III of Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2017-18

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (Rs)	As % of consolidated profit or loss	Amount (Rs)	As % of consolidated Other Comprehensive Income	Amount (Rs)	As % of consolidated total Comprehensive Income	Amount (Rs)
1	**Parent Company ***								
	Lumax Auto Technologies Limited	57.27%	25,840.11	51.16%	2,921.77	99.95%	4,060.13	71.44%	6,981.90
2	**Subsidiaries ***								
	1. Lumax DK Auto Industries Limited	36.01%	16,246.71	25.80%	1,473.36	0.25%	10.55	15.18%	1,483.91
	2. Lumax Mannoh Allied Technologies Limited	7.36%	3,321.14	24.67%	1,409.16	0.08%	3.09	14.45%	1,412.25
	3. Lumax Integrated Ventures Private Limited	0.17%	76.37	(0.01%)	(0.46)	0.00%	-	(0.19%)	(18.89)
	4. Lumax Management Services Private Limited	2.19%	986.33	6.34%	362.23	(0.37%)	(15.21)	3.55%	347.00
	5. Lumax Cornaglia Auto Technologies Private Limited	5.77%	2,602.73	7.10%	405.47	0.09%	3.71	4.19%	409.19
	Less : Intercompany Eliminations	(8.77%)	(3,954.74)	(15.06%)	(860.30)	0.00%	-	(8.62%)	(841.86)
	Lumax Auto Technologies Limited (Consolidated)	**100.00%**	**45,118.64**	**100.00%**	**5,711.23**	**100.00%**	**4,062.27**	**100%**	**9,773.50**

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

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49. Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables, borrowings, security deposits and payables for property, plant and equipment. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalent, fixed deposits, security deposits, investment and others that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

The sensitivity analyses in the following sections relate to the position as at March 31, 2018 and March 31, 2017.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest bearing financial liabilities includes borrowings with fixed interest rates.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency as well as in foreign currency. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. The Company may use currency swaps or forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate as per the risk management policy.

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(Amount in Rs Lacs, unless otherwise stated)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Exposure gain/(loss)	March 31, 2018		March 31, 2017	
Particulars	**Change +1%**	**Change -1%**	Change +1%	Change -1%
Trade Receivable	15.87	(15.87)	0.70	(0.70)
Trade Payable	(7.47)	7.47	(5.07)	5.07

iii) Equity Price Risk

The Group's listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity securities at fair value was Rs 11,474.14 Lacs. A decrease of 10% on the NSE market index could have an impact of approximately Rs 1,147.41 Lacs on the OCI or equity attributable to the Group. An increase of 10% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

i) Trade receivables

The Company's customer base majorly includes Original Equipment Manufacturers (OEMs), Large Corporates and Tier-1 vendors of OEMs. Based on the past trend of recoverability of outstanding trade receivables, the Company has not incurred material losses on account of bad debts. Hence, no adjustment has been made on account of Expected Credit Loss (ECL) model.

C. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	20.72	266.88	790.15	-	**1,077.75**
Trade and other payables	-	27,029.86	-	-	-	**27,029.86**
Other financial liabilities	-	3,063.80	-	-	-	**3,063.80**
Total	**-**	**30,114.38**	**266.88**	**790.15**	**-**	**31,171.41**

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(Amount in Rs Lacs, unless otherwise stated)

As at March 31, 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	331.36	3049.60	141.17	-	**3522.13**
Trade and other payables	-	14,133.17	-	-	-	**14,133.17**
Other financial liabilities	-	1,029.89	-	-	-	**1,029.89**
Total	**-**	**15,494.42**	**3049.60**	**141.17**	**-**	**18,685.19**

As at April 1, 2016	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings	-	317.97	1,177.42	1,339.71	-	**2,835.10**
Trade and other payables	-	17,132.93	-	-	-	**17,132.93**
Other financial liabilities	-	1,142.65	-	-	-	**1,142.65**
Total	**-**	**18,593.55**	**1,177.42**	**1,339.71**	**-**	**21,110.68**

50. The management has analysed that no significant warranty claim is received by the Company in earlier years against the goods manufactured by the Company and further, the seller of traded goods warrants the Company that products will be free from defects in materials and workmanship under normal use and service and agrees to replace any defective parts under the conditions of standard warranty accompanying the products. Therefore, the Company has not made any provision for warranties and claims in its books of accounts for the year ended March 31, 2018.

51. First time adoption of Ind AS

These financial statements for the year ended March 31, 2018 are the first annual financial statements prepared in accordance with Ind AS. For year up to and including the year ended March 31, 2017, the Company has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with the Companies (Indian accounting standard) (Amendment) Rules, 2016.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ended March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017.

a) Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

i. **Deemed cost-Previous GAAP carrying amount: (PPE and Intangible) :**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP (Indian GAAP) and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible. Intangible assets are covered by Ind AS 38. Accordingly, the Company has elected to measure all of its property, plant and equipment, capital work in progress, intangible assets and Intangible assets under development at their previous GAAP carrying value.

Notes to the Consolidated Financial Statements

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(Amount in Rs Lacs, unless otherwise stated)

ii. Investments in subsidiaries and joint ventures

Ind AS 101 permits a first time adopter to measure its investment in subsidiaries, associates and joint venture, at the date of transition, at cost determined in accordance with Ind AS 27 or deemed cost. The deemed cost of such investment shall be it's fair value at the Company's date of transition to Ind AS, or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiaries and joint ventures at the previous GAAP carrying amount as its deemed cost on the transition date.

iii. Arrangement contains a lease :

Appendix C to Ind AS 17 requires the first-time adopter to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. However, the Company has used Ind AS 101 exemption and assessed all arrangements for embedded leases based on conditions in place as at the date of transition.

b) Estimates

The estimates at April 01, 2016 and at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP apart from the following items where application of Indian GAAP did not require estimation:.

- Investment in equity instruments carried at FVTOCI;
- Impairment of financial assets based on expected credit loss model.

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1 April 2016, the date of transition to Ind AS and as of 31 March 2017.

c) Reconciliation of equity as at April 01, 2016 (date of transition to Ind AS)

Particulars	Notes*	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
I ASSETS				
Non-current assets				
Property, plant and equipment	5,6	22,744.11	(1,798.33)	20,945.78
Capital work in progress	5,6	502.81	120.29	623.10
Investment property	5,6	-	2,059.84	2,059.84
Intangible assets	5,6	199.92	10.33	210.25
Investment in a Joint venture	5,6	301.17	(59.95)	241.22
Financial assets				
- Investments	1	1,937.84	775.66	2,713.50
- Other financial assets	5,6	205.22	35.50	240.72
Other non- current assets	5,6	1,392.73	696.05	2,088.78
Deferred Tax Assets (Net)	5,6	705.50	(705.50)	-
Total Non- current Assets		**27,989.30**	**1,133.89**	**29,123.19**
Current assets				
Inventories	5,6	5,788.13	225.85	6,013.98
Financial assets				
- Loans		-	81.12	81.12
- Trade receivables	5,6	17,637.33	34.15	17,671.49
- Cash and cash equivalents	5,6	1,137.15	6.76	1,143.91
- Other bank balances	5,6	118.94	11.30	130.24
- Others financial assets	5,6	46.51	17.32	63.83
Other current assets	5,6	1,122.06	(144.63)	977.43
Total Current Assets		**25,850.13**	**231.87**	**26,082.00**
Total Assets		**53,839.43**	**1,365.76**	**55,205.19**

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(Amount in Rs Lacs, unless otherwise stated)

Particulars	Notes*	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
II. EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,363.15	-	1,363.15
Other equity	1,3,5,6	26,889.94	401.74	27,291.68
Equity attributable to equity holders of the parent		**28,253.09**	**401.74**	**28,654.83**
Non-controlling interests	5,6	657.81	939.19	1,597.00
Total Equity		**28,910.90**	**1,340.93**	**30,251.83**
Liabilities				
Non- current liabilities				
Financial liabilities				
- Borrowings	5,6	1,480.68	(140.97)	1,339.71
- Provisions	5,6	323.18	6.20	329.38
- Deferred tax liabilities (net)	5,6	1,722.72	135.15	1,857.87
Total non- current liabilities		**3,526.58**	**0.38**	**3,526.96**
Current liabilities				
Financial liabilities				
- Borrowings	5,6	964.31	(797.91)	166.40
- Trade payables	5,6	16,221.49	911.44	17,132.93
- Other financial liabilities	5,6	2,131.51	340.14	2,471.65
Provisions	5,6	232.64	4.16	236.80
Current Tax Liabilities	5,6	40.33	(3.87)	36.46
Other current liabilities	5,6	1,811.67	(429.51)	1,382.16
Total Current liabilities		**21,401.95**	**24.45**	**21,426.40**
Total Equity and Liabilities		**53,839.43**	**1,365.76**	**55,205.19**

d) Reconciliation of equity as at March 31, 2017

Particulars	Footnotes	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	5,6	24,322.89	(1,796.26)	22,526.63
Capital work in progress	5,6	1,290.39	113.42	1,403.81
Investment Property	5,6	-	2,002.61	2,002.61
Goodwill	5,6	16.64	-	16.64
Other intangible assets	5,6	222.10	50.17	272.27
Investment in a Joint venture	5,6	301.18	432.48	733.66
Financial assets				
- Investments	1	1,937.83	5,822.26	7,760.09
- Other financial assets	5,6	252.46	(4.02)	248.44
Other non- current assets	5,6	893.91	16.24	910.15
Deferred tax Assets	5,6	114.61	-	114.61

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

Particulars	Footnotes	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
Total Non- current Assets		**29,352.01**	**6,636.90**	**35,988.91**
Current assets				
Inventories	5,6	5,390.25	146.36	5,536.61
Financial assets				
- Loans	5,6	57.02	-	57.02
- Trade receivables	5,6	16,540.11	(993.76)	15,546.35
- Cash and cash equivalents	5,6	2,207.29	(102.95)	2,104.34
- Other bank balances	5,6	1,911.16	9.51	1,920.67
- Others financial assets	5,6	40.15	9.07	49.22
Other current assets	5,6	1,443.30	(98.55)	1,344.75
Total Current Assets		**27,589.28**	**(1,030.32)**	**26,558.96**
Total Assets		**56,941.29**	**5,606.58**	**62,547.87**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		1,363.15	-	1,363.15
Other equity	1,3,5,6	30,304.26	5,481.36	35,785.62
Equity attributable to equity holders of the parent		**31,667.41**	**5,481.36**	**37,148.77**
Non-controlling interests	5,6	1,126.38	1,061.76	2,188.14
Total Equity		**32,793.79**	**6,543.12**	**39,336.91**
LIABILITIES				
Non- current liabilities				
Financial liabilities				
- Borrowings	5,6	231.17	(90.00)	141.17
Provisions	5,6	702.06	4.74	706.80
Deferred tax liabilities (net)	5,6	1,672.63	126.00	1,798.63
		2,605.86	**40.74**	**2,646.60**
Current liabilities				
Financial liabilities				
- Borrowings	5,6	2,312.61	(312.61)	2,000.00
- Trade payables	5,6	14,829.59	(696.42)	14,133.17
- Other financial liabilities	5,6	2,178.33	232.52	2,410.85
Provisions	5,6	435.51	6.48	441.99
Current tax liabilities	5,6	141.63	22.25	163.88
Other current liabilities	5,6	1,643.97	(229.50)	1,414.47
Total Current liabilities		**21,541.64**	**(977.28)**	**20,564.36**
Total Equity and Liabilities		**56,941.29**	**5,606.58**	**62,547.87**

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

e) Reconciliation of profit or loss for the year ended March 31, 2017:

	Particulars	Footnotes	Regrouped Indian GAAP	Ind AS adjustments	Ind AS
I	Revenue from operations	2,4,5,6	1,09,228.84	(5,259.12)	1,03,969.72
II	Other income	5,6	1,564.12	(514.19)	1,049.93
III	**Total income**		**1,10,792.96**	**(5,773.31)**	**1,05,019.65**
IV	**Expenses**				
	Cost of raw material, packing material and components consumed	5,6	56,449.44	(2,352.90)	54,096.54
	Cost of moulds consumed	5,6	446.33	493.92	940.25
	(Increase)/Decrease in inventories of finished goods, work-in-progress and traded goods	5,6	409.98	15.20	425.18
	Purchases of traded goods	5,6	16,069.60	(2,572.92)	13,496.68
	Excise duty on sale of goods	2	7,997.20	(569.31)	7,427.89
	Employee benefits expense	3,5,6	9,519.26	32.16	9,551.42
	Finance costs	5,6	395.14	(12.58)	382.56
	Depreciation and amortization expense	5,6	2,394.51	(41.55)	2,352.96
	Other expenses	4,5,6	11,287.44	(562.05)	10,725.39
V	**Total expenses**		**1,04,968.90**	**(5,570.03)**	**99,398.87**
VI	**Profit before share of a joint venture, exceptional items and tax**		**5,824.06**	**(203.28)**	**5,620.78**
	Exceptional Items		(319.11)	-	(319.11)
VII	**Profit before share of a joint venture, and tax**		**5,504.95**	**(203.28)**	**5,301.67**
	Share of profit of a Joint Venture		-	(292.45)	292.45
VIII	**Profit before share of a joint venture, exceptional items and tax**		**5,504.95**	**89.17**	**5,594.12**
IX	**Tax expense:**				
	Current tax	5	1,715.83	(81.03)	1,634.80
	Adjustment of tax relating to earlier years	5	(5.38)	(0.70)	(6.08)
	Deferred tax	5	(49.18)	6.65	(42.53)
	Total tax expense		**1,661.27**	**(75.08)**	**1,586.19**
X	**Profit for the year (VII-VIII)**		**3,843.69**	**164.25**	**4,007.93**
XI	**Other Comprehensive Income**				
	Items that will not to be reclassified to statement of profit or loss				
	Re-measurement gains/ (losses) on defined benefit plans	3	-	(48.76)	(48.76)
	Income tax effect	3	-	16.20	16.20
	Gain on fair value of investment	1,3	-	5,046.59	5,046.59
	Income tax effect	1,3	-	(2.46)	(2.46)
	Net comprehensive income not to be reclassified to statement of profit or loss in subsequent periods		**-**	**5,011.57**	**5,011.57**
XII	**Other comprehensive income for the year, net of tax**		**-**	**5,011.57**	**5,011.57**
XIII	**Total comprehensive income of the year, net of tax**		**3,843.68**	**5,175.82**	**9,019.50**
	Earnings per share:				
	1) Basic		3.66		25.31
	2) Diluted		3.66		25.31

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

f) Footnotes to the reconciliation of equity as at April 01, 2016 and March 31, 2017 and profit or loss for the year ended March 31, 2017:

1 Fair value of investment in equity instruments designated as FVTOCI

Under the previous GAAP, investment in long term equity instruments were carried at cost less provision for diminution, other than temporary, in the value of such investment. Under Ind AS these investments are required to be measured at fair value. Accordingly, fair value change with respect to investment in equity instruments of Lumax Industries Limited, designated at FVTOCI, have been recognized in other comprehensive income for the year ended March 31, 2017.

2 Sale of goods

Under Previous GAAP, sale of goods was presented as net of excise duty. However, under Ind AS, sale of goods includes excise duty. Excise duty on sale of goods is separately presented on the face of statement of profit and loss. Thus sale of goods under Ind AS has increased with a corresponding increase in other expense. This being reclassification adjustments, have no impact on profit for the year on account of the same.

3 Other comprehensive income

Under Previous GAAP, the Company has not presented Other Comprehensive Income (OCI) separately. Hence, it has reconciled Previous GAAP profit to profit or loss as per Ind AS. Further, Previous GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

4 Cash Discounts

Revenue shall be measured at fair value of the consideration received or receivable. Also the amount of revenue arising on a transaction is usually determined by agreement between the entity and the buyer or user of the asset. It is measured at the fair value of the consideration received or receivable taking into account the amount of any trade discounts and volume rebates allowed by the entity. Therefore, the total sales has been disclosed net of any discounts given/to be given to the customers. However, this does not impact the results of the Company.

5 Unconsolidated Joint Ventures

The group holds 50 per cent equity interest in Lumax Cornaglia Auto Technologies Private Limited . Under previous GAAP, the Group has treated Lumax Cornaglia Auto Technologies Private Limited as its Joint Venture and thereby applied Proportionate consolidation method of accounting. Under Ind AS, the group has treated Lumax Cornaglia Auto Technologies Private Limited as its subsidiary and thereby applied line by line consolidation as the chairman of the Company has the casting voting rights in LCAT.

6 Joint Ventures

The group holds 50 per cent interest in Lumax Gill - Austem Auto Technologies Private Limited and exercises joint control over the entity. Under Indian-GAAP group has proportionately consolidated its interest in the Lumax Gill - Austem Auto Technologies Private Limited in the Consolidated Financial Statement. On transition to Ind AS the group has assessed and determined that Lumax Gill - Austem Auto Technologies Private Limited is its JV under Ind AS 111 Joint Arrangements. Therefore, it needs to be accounted for using the equity method as against proportionate consolidation. For the application of equity method, the initial investment is measured as the aggregate of Ind AS amount of assets and liabilities that the group had previously proportionately consolidated including any goodwill arising on acquisition.

7 Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

8 Cash Flow Statement

The transition from Previous GAAP to Ind AS do not have a material impact on the statement of cash flows.

52. Standards issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

a) Ind AS 115 - Revenue from Contracts with Customers

In March 2018, the Ministry of Corporate Affairs had notified Ind AS 115 'Revenue from Contracts with Customers' which would be applicable for accounting periods beginning on or after 1 April 2018.This Standard establishes the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The Company is evaluating the requirements of the new standard and the effect on the Financial statements is expected to be insignificant.

b) Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have any impact on the company as the company has no deductible temporary differences or assets that are in the scope of the amendments.

c) Transfers of Investment Property — Amendments to Ind AS 40

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after 1 April 2018. The Company will apply amendments when they become effective. However, since there are no investment properties, the Company does not expect any effect on its financial statements.

Notes to the Consolidated Financial Statements

for the year ended March 31, 2018

(Amount in Rs Lacs, unless otherwise stated)

d) Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the entity first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. However, since the Company's current practice is in line with the Interpretation, the Company does not expect any effect on its financial statements.

The accompanying notes form an integral part of these financial statements

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

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No.: 301003E/E300005
per **Vikas Mehra**
Partner
Membership No. 094421

D.K. Jain
Chairman
DIN: 00085848

Anmol Jain
Managing Director
DIN: 00004993

Ashish Dubey
Chief Financial Officer

Swapnal Patane
Company Secretary

Place : New Delhi
Date : May 28, 2018

LUMAX AUTO TECHNOLOGIES LIMITED

Registered Office: Plot No. 70, Sector 10, PCNTDA,
Bhosari, Pune – 411026, Maharashtra
Website: www.lumaxautotech.com, Tel: 020 66304617, 66304604
Email: shares@lumaxmail.com, CIN: L31909MH1981PLC025519

DK JAIN
GROUP

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 37th Annual General Meeting (AGM) of the Members of Lumax Auto Technologies Limited will be held as under:

Day	:	**Tuesday**
Date	:	**August 21, 2018**
Time	:	**3.00 P.M.**
Venue	:	**Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune - 411 018, Maharashtra.**

to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (including Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2018, Audited Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss for the Financial Year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

2. To declare Dividend on Equity Shares as recommended by the Board of Directors for the Financial Year 2017-18.

3. To appoint a Director in place of Mr. Deepak Jain (DIN 00004972), who retires by rotation and being eligible, offers himself for Re-appointment.

Special Business:

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

   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, if any, 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 the approval of Central Government and other Authorities, if required and on recommendation of Nomination & Remuneration Committee and approval by 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), the consent of the Members of the Company be and is hereby accorded to the Re-appointment of Mr. D. K. Jain (DIN 00085848) as Executive Chairman of the Company, for a period of 5 (five) years with effect from May 28, 2018 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice, with liberty and authority to the Board to alter and vary the terms and conditions and/ or remuneration, subject to the provisions of the applicable laws and approvals if any, and agreed to the 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 Schedule V of the Companies Act, 2013 and/or any statutory modifications or re - enactment thereof.

   Resolved further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized 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."

5. **Re-appointment of Mr. Anmol Jain as the Managing Director of the Company for a period of Five (5) years.**

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

"**Resolved that** in accordance with the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, 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 the approval of Central Government, and other authorities, if required and on recommendations of Nomination & Remuneration Committee and approval by 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) the consent of the Members of the Company be and is hereby accorded to the Re-appointment of Mr. Anmol Jain (DIN 00004993) as Managing Director of the Company, for a period of 5 (five) years with effect from May 28, 2018 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice, with liberty and authority to the Board to alter and vary the terms and conditions and/ or remuneration, subject to the provisions of the applicable laws and approvals if any, and agreed to the Managing Director.

Resolved further that since the period of office of Mr. Anmol Jain as Managing Director is liable to determination by retirement by rotation, he shall continue to hold office of Managing Director as soon as he is re-appointed as a Managing Director immediately on retirement by rotation and such Re-appointment as Managing 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 Schedule V of the Companies Act, 2013 and/or any statutory modifications or re-enactment thereof.

Resolved further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized 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. **Appointment of Mr. Sanjay Mehta as a Director**

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, 152 and other applicable provisions of the Companies Act, 2013 , the Companies (Appointment and Qualification of Directors) Rules, 2014 and on recommendation of Nomination and Remuneration Committee, Mr. Sanjay Mehta (DIN 06434661), 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 up to the date of this Annual General Meeting, be and is hereby appointed as Director of the Company shall be liable to retire by rotation."

7. **Appointment of Mrs. Diviya Chanana as an Independent Director**

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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act , applicable Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on recommendation of Nomination and Remuneration Committee, Mrs. Diviya Chanana (DIN 00737160), who was appointed as an Additional Director of the Company in terms of Section 161 of the Companies Act, 2013 and meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five (5) consecutive years with effect from December 04, 2017 and whose office shall not be liable to retire by rotation".

8. **Ratification of remuneration of Cost Auditor for the Financial Year 2018-19**

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

"**Resolved that** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Jitender Navneet & Co., Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year Ending March 31, 2019, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For Lumax Auto Technologies Limited

Swapnal Patane
Company Secretary
M. No.: A27424

Place: New Delhi
Dated: May 28, 2018

NOTES:

1. **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. Proxy Form duly filled up and signed in order to be effective should reach to Company's Registered Office not less than 48 hours before the scheduled time of the meeting. Proxy Form is enclosed.**

   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.

2. **The E-voting Instructions forms an integral part of this Notice and is attached to this Notice.**

3. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Monday, August 13, 2018 to Tuesday, August 21, 2018 (both days inclusive).

4. **Dividend Entitlement:** Dividend on Equity Shares, as recommended by the Board of 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 August 11, 2018 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 Shares Transfers, which are lodged with the Company as at the end of business hours on August 11, 2018.

   The Board of Directors have recommended a Dividend @100 percent on Equity Shares of the Company. The proposed dividend will translate into Dividend at the rate of Rs 2/- (Rupees Two only) per Equity Share of the face value of Rs 2/- (Rupees Two only) each, after Sub – division of existing Equity Shares of the Company in the ratio of 1:5 as on Record Date i.e. June 08, 2018.

   Dividend amount of Members holding shares in electronic form and to those Members holding in physical form, who have given their Bank details, will be credited to their respective Bank Account through Electronic Clearing Service (ECS), wherever such facilities are available, soon after the declaration of the Dividend in the AGM.

   For others, Dividend DD's will be posted by September 14, 2018 (tentative date).

   In order to avoid any fraudulent encashment, such Members are requested to furnish their Bank Account Numbers and Bank's name so as to incorporate the same in the Dividend DD, immediately, if not submitted earlier. If there is any change in the Bank Account of Demat Members, they are requested to intimate the same to their respective Depository Participants for their further action.

5. **Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):** Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013, 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 (IEPF) 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 amount lying in the Unpaid Dividend Account for the financial year 2009-10 has been transferred to the IEPF on September 18, 2017. The Unpaid Dividend Amount for the financial year 2010-11 is due for transfer to the IEPF in the month of October, 2018. Members who have not encashed their Dividend for the financial year 2010-11 and onwards are therefore, requested to make their claims to the Company immediately.

The Members are also requested to note that all Shares on which Dividend remains unclaimed for seven consecutive Years or more shall be transferred to the IEPF account in compliance with Section 124 of the Companies Act, 2013 and the applicable Rules. In view of this, Members are requested to claim their Dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

6. Members of the Company had approved the appointment of M/s. S.R. Batliboi & Co., LLP, Chartered Accountants, as the Statutory Auditors at the Thirty Third AGM of the Company which is valid till Thirty-Eight AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

7. **Change of Address:** The Members holding shares in physical mode are requested to intimate to the Registrar and Share Transfer Agent M/s Bigshare Services Pvt. Ltd. immediately, if there is any change in their registered address. Demat Members 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 AGM.

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 as per Regulation 36(3) of Listing Regulations, 2015 in respect of the Directors seeking Appointment/ Re-appointment at the AGM, forms integral part of the Notice. Other details as required under Secretarial Standard – 2 are included in the Corporate Governance Report, which forms part of the Annual Report. The Directors have furnished the requisite consents/ declarations for their Appointment/ Re-appointment.

11. **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.

12. **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 AGM.

13. **AGM-Attendance Slip:** Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.

14. **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 annexed hereto.

15. **Voting through electronic means:** In terms of the provisions of section 108 of the Companies Act, 2013 (the Act), read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015 hereinafter referred to as ("Listing Regulations"), the Company is providing remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to Members holding shares as on August 13, 2018, being the Cut-off date fixed for determining voting rights of Members are entitled to participate in the remote e-voting process, through the e-voting platform provided by Karvy Computershare Pvt. Ltd. (Karvy) or to vote at the AGM pursuant to Rule 20(4)(vii) of Companies (Management & Administration) Rules, 2014.

16. The Board of Directors has appointed Mr. I. U. Thakur, a Practicing Company Secretary, Pune as the Scrutinizer for the e-voting process, and voting at the venue of the AGM in a fair and transparent manner.

17. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the

meeting, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than three (3) days from the conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.

The scrutiniser shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the scrutiniser's report shall be placed on the Company's website www.lumaxautotech.com and on the website of Karvy https://evoting.karvy.com and shall also be communicated to the stock exchanges.

18. The Notice of AGM, Annual Report, Attendance Slip and instructions on 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/ Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agent of the Company.

19. 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 a.m. to 1 p.m. on all working days up to the day of the AGM.

20. Notice of this AGM, Audited Financial Statement for financial year 2017-18 together with Directors' Report and Auditors' Report are available on the website of the Company www.lumaxautotech.com. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The instructions for remote e-voting are as under:

A. For Members who receive Notice of AGM through e-mail:

i. Use the following URL for e-voting: https://evoting.karvy.com

ii. Enter the login credentials, i.e., user id and password mentioned in your email. Your Folio No./DP ID Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and Password for casting your votes.

iii. After entering the details appropriately, click on LOGIN.

iv. You will reach the Password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the EVENT, i.e., Lumax Auto Technologies Limited.

vii. On the voting page, the number of shares (which represents the number of votes) as held by the member as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, then enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR'/'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat account.

ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

x. Corporate/Institutional Members (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who are authorised to vote, to the scrutinizer through email iuthakur@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'Corporate Name_EVENT No.'

xi. Remote e-voting facility where Members can cast their vote online shall be open from: Friday, the August 17, 2018 at 10.00 a.m. and ends on Monday, the August 20, 2018 at 5.00 p.m and at the end of remote e-voting period, the facility shall forthwith be blocked.

xii. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of https://evoting.karvy.com or call Karvy Computershare Pvt. Ltd. on 1800 345 4001 (toll free) or may send an e-mail request to einward.ris@karvy.com.

B. For Members who receive the Notice of AGM in physical form:

i. Members holding shares either in demat or physical mode, who are in receipt of Notice in physical form, may cast their votes using the e-voting facility, for which the User Id and Initial password are provided in form enclosed with Annual Report. Please follow steps from Sr. No. (i) to (xii) under heading A above to vote through e-voting platform.

C. Voting facility at AGM:

i. In addition to the remote e-voting facility as described above, the Company shall make a voting facility available at the venue of the AGM, through polling paper system and Members attending the meeting, who have not already cast their votes by remote e-voting, shall be able to exercise their right at the meeting.

ii. Members who have cast their votes by remote e-voting prior to the meeting may attend the meeting, but shall not be entitled to cast their vote again.

Explanatory Statement:

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 4

Mr. D.K. Jain, aged 75 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 more than 50 years in automotive industry and valuable contribution to the Board as Chairman of the Company and in the interest of overall growth of the Company and Members, the Board of Directors at its Meeting held on May 28, 2018, Re-appointed Mr. D.K. Jain as Executive Chairman of the Company with immediate effect for the period of five (5) years subject to approval of Members in ensuing AGM.

The aforesaid proposal including Remuneration has been approved and recommended by Nomination and 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 May 28, 2018, subject to the approval of Members in the ensuing AGM.

The details of Remuneration payable to Mr. D.K. Jain is tabulated as under:

Salary	Rs 1,20,00,000 per annum
House Rent Allowances	Rs 6,00,000 per annum
Total	**Rs 1,26,00,000 per annum**
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 and any statutory modifications or re - enactment thereof.

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, Club Membership Fees, Leave Travel Concession, Medical, Mediclaim and Personal accidental insurance premium including foreign travelling insurance premium, on actual basis, if incurred by him on self or on spouse and dependent children as the case may be, contribution to the Statutory Payments viz. Provident Fund, 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 of remuneration as prescribed under the Section 197 of the Companies Act, 2013 and further specified in Schedule V of the Companies Act, 2013 and/or any statutory modifications and/or Re - enactment thereof.

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 for Company's Car with Driver, telephone(s), mobile phone, reimbursement of expenses incurred in connection with the business of the Company including entertainment expenses, travelling and hotel expenses and these expenses incurred shall not be included in the computation of perquisites and allowances for the purpose of calculating ceiling of Remuneration.

Details of Mr. D.K. Jain are provided in "Annexure" to the Notice pursuant to the provisions of Regulation 36(3) of the Listing Regulations.

Except Mr. D. K. Jain, Mr. Deepak Jain and Mr. Anmol Jain, being relatives to each other, 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 at Item No. 4 of the Notice.

Your Directors recommend the Resolution set forth in Item No. 4 for approval of the Members as **Special Resolution**.

Item No. 5

Mr. Anmol Jain, aged 39 years, is one of the Promoter Director of the Company. He is a B.B.A (Hons.) from Michigan State of University, USA and has 17 years of work experience in the Automotive Components Industry.

Keeping in view the increasing operations of the Company, various expansion plans under implementation and valuable contribution to the Board as Managing Director of the Company and in the interest of overall growth of the Company and Members, The Board of Directors at its meeting held on May 28, 2018, Re-appointed Mr. Anmol Jain as Managing Director of the Company with immediate effect for the period of five (5) years subject to approval of Members in ensuing AGM.

The aforesaid proposal including Remuneration has been approved and recommended by Nomination and 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 May 28, 2018, subject to the approval of Members in the ensuing AGM.

The details of Remuneration payable to Mr. Anmol Jain is tabulated as under:

Salary	Rs 1,20,00,000 per annum
House Rent Allowances	Rs 6,00,000 per annum
Total	**Rs 1,26,00,000 per annum**
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 and any statutory modifications or re - enactment thereof.

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, Club Membership Fees, Leave Travel Concession, Medical, Mediclaim and Personal accidental insurance premium including foreign travelling insurance premium, on actual basis, if incurred by him on self or on spouse, dependent children and dependent parents as the case may be, contribution to the Statutory Payments viz. Provident Fund, 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 of remuneration as prescribed under the Section 197 of the Companies Act, 2013 and further specified in Schedule V of the Companies Act, 2013 and / or any Statutory modifications and / or Re-enactment thereof.

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, telephone(s), mobile phone, reimbursement of expenses incurred in connection with the business of the Company including entertainment expenses, travelling and hotel expenses and these expenses incurred shall not be included in the computation of perquisites and allowances for the purpose of calculating ceiling of Remuneration.

Details of Mr. Anmol Jain are provided in "Annexure" to the Notice pursuant to the provisions of Regulation 36(3) of the Listing Regulations.

Mr. Anmol Jain satisfies all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his Re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Except Mr. Anmol Jain, Mr. D. K. Jain and Mr. Deepak Jain, being relatives to each other, 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 at Item No. 5 of the Notice.

Your Directors recommend the Resolution set forth in Item No. 5 for approval of the Members as an **Ordinary Resolution**.

Item No. 6

The Board of Directors upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Sanjay Mehta as an Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article 48 of the Articles of Association of the

Company. He shall hold office up to the date of ensuing AGM and is proposed to be appointed as Director of the Company, liable to retire by rotation.

Mr. Sanjay Mehta is a qualified Chartered Accountant and Company Secretary. He is associated with the D K Jain Group since last 10 Years. He has rich experience of 26 Years in Corporate Accounts and Finance. He is looking after Strategy planning, developing and implementing plans within timeframe as per the budget goals by creating and funding sustainable, profitable growth of the Company.

The Board considers that the appointment of Mr. Sanjay Mehta as Director will be beneficial for the Company considering his rich experience in the automotive industry.

The Company has received the requisite declaration as stipulated under the Companies Act, 2013 to the effect that he is not disqualified to be appointed as Director of the Company.

Except Mr. Sanjay Mehta, 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 at Item No. 6 of the Notice.

Your Directors recommend the Resolution set forth in Item No. 6 for approval of the members as an **Ordinary Resolution**.

Item No. 7

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, appointed Mrs. Diviya Chanana as Additional Director, designated as Independent Director on the Board of the Company w.e.f. December 04, 2017 in compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013 and Listing Regulations. She shall hold office up to the date of ensuing AGM and is to be appointed as an Independent Director.

Mrs. Diviya Chanana is a Graduate and Diploma holder in Travel and Tourism and has over 15 years of rich experience in the said field.

The Board considers that the appointment of Mrs. Diviya Chanana as Director will be beneficial for the Company.

The Board recommends her appointment as an Independent Director for a period of five (5) years w.e.f. December 04, 2017, not liable to retire by rotation.

The Company has received a declaration from Mrs. Diviya Chanana that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and Listing Regulations, 2015. In the opinion of the Board, Mrs. Diviya Chanana fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations. Mrs. Diviya Chanana is independent of the management and possesses appropriate skills, experience and knowledge. A copy of the draft letter for appointment of Mrs. Diviya Chanana as an Independent Director setting out the terms and conditions is available for inspection by Members at the registered office of the Company.

Except Mrs. Diviya Chanana, 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 at Item No. 7 of the Notice.

Your Directors recommend the Resolution set forth in Item No. 7 for approval of the Members as an **Ordinary Resolution**.

Item No. 8

The Board, on the recommendation of the Audit Committee, has approved the Appointment and Remuneration of M/s Jitender Navneet & Co., Cost Accountants as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2018-19 at a fee of Rs. 1.50 Lacs plus Taxes as applicable and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for Ratification of the remuneration payable to the Cost Auditors for the financial year 2018-19.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the agenda as set out at Item No. 8 of the Notice.

Your Directors recommend the Resolution set forth in Item No. 8 for approval of the Members as an Ordinary Resolution.

By Order of the Board
For Lumax Auto Technologies Limited

Swapnal Patane
Company Secretary
M No.: A 27424

Place: New Delhi
Dated: May 28, 2018

Note: As per the requirements of Secretarial Standard-2 (SS-2) issued by Institute of Company Secretaries of India (ICSI) the information required to be mentioned in the Explanatory Statement pertaining to Directors seeking Appointment/ Re-appointment have been covered in the Corporate Governance Report which forms the part of Annual Report.

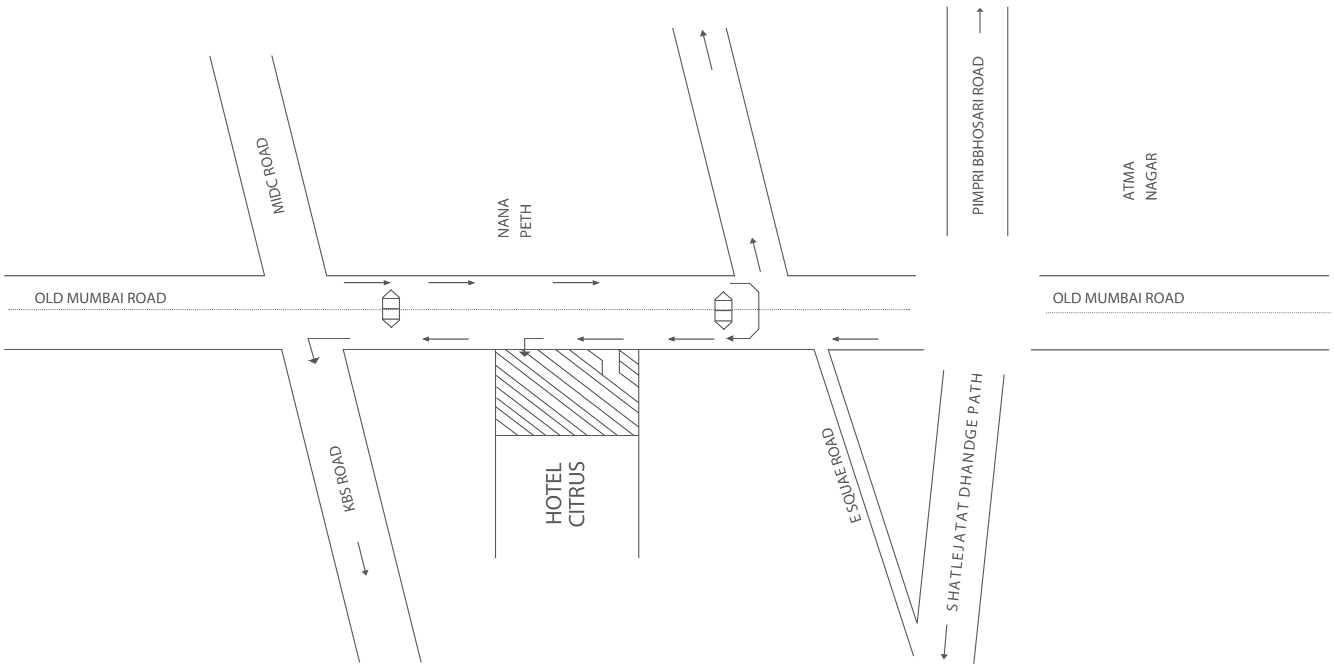
Annexure:

Brief Details of Directors Seeking Appointment/ Re-Appointment as per Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars		Mr. D. K. Jain	Mr. Anmol Jain	Mr. Deepak Jain
1)	DIN	00085848	00004993	00004972
2)	Date of Birth	November 08, 1942	April 04, 1979	April 06, 1975
3)	Qualification	MBA from Delhi university & has successfully completed President Management Program from Harvard Business School	Bachelors in Business Administration in Finance & Supply Chain Management (Double major) from Michigan State University, U.S.A.	Business Graduate from Illinois Institute of Technology, USA with specialization in Operations Management & International Business
4)	Experience & Expertise	He is among the pioneers of the Indian Auto-Component Industry. His enigmatic vision and management skills has been the guiding light behind the DK Jain Group of companies. He holds Over more than 50 years of experience in the automotive industry in management, operations & administrative roles. He has held various industry positions like: ● Past president of ACMA, ● President suppliers association – Toyota Kirloskar Motors, ● Chairman of Trade Fairs Committee ACMA, ● Co-chairman of Regional Committee on Membership of Northern Region CII, ● Past Chairman of CSR subcommittee of the Northern Region of CII	He worked as a Management Trainee with GHSP, U.S.A. & subsequently, joined Lumax Group, in 2000 & has over 17 years of experience He has held various positions in Industry associations like: ● The National Coordinator of ACMA-YBLF from 2014-16. ● The Chairman CII Haryana State Council in 2012-13. He is currently:- ● The EC member of Honda Cars India Supplier's Club ● Bajaj Auto Vendor Association MC member	He has undergone extensive training at Stanley Co. Limited, U.S.A. & Stanley Electric Co. Limited, Japan. He has over 21 years' experience. He was chairman of ACMA's HR/IR & Skill Development Committee, past chairman of Sustainable Technology Development Committee of ACMA, past National Coordinator of Young Business Leader Forum of ACMA and past president of Supplier's club, Honda Cars India Limited He is Member of Young President Organization and Entrepreneurs' Organization. He also holds the position of Chairman of Northern Region of ACMA & Vice President of Toyota Kirloskar Supplier's Association
5)	Name of Listed Companies in which Directorship held other than Lumax Auto Technologies Limited	Nil	Lumax Industries Limited	1. Lumax Industries Limited 2. RSWM Limited
6)	Chairman/Member of the Committee of the Board of Listed Companies other than Lumax Auto Technologies Limited	Nil	Nil	Member of Audit Committee and Share Transfer/ Stakeholder Relationship Committee of Lumax Industries Limited
7)	Relationship with Directors Inter-se	Related as father of Mr. Deepak Jain, Director and Mr. Anmol Jain, managing Director of the Company.	Related as son of Mr. D.K. Jain, Executive Chairman and Brother of Mr. Deepak Jain, Director of the Company	Related as son of Mr. D.K. Jain, Executive Chairman and Brother of Mr. Anmol Jain, Managing Director of the Company
8)	No of Shares held in the Company	16,55,257	8,62,240	9,14,652

Particulars		Mr. Sanjay Mehta	Mrs. Diviya Chanana
1)	DIN	06434661	00737160
2)	Date of Birth	October 01, 1967	June 26, 1973
3)	Qualification	Chartered Accountant and Company Secretary	Graduate and Diploma holder in Travel and Tourism
4)	Experience & Expertise	He has rich experience of 26 Years in Corporate Accounts and Finance. He is looking after Strategy planning, developing and implementing plans within timeframe as per the budget goals by creating and funding sustainable, profitable growth of the Company.	She is Executive Director of Damus Travels Private Limited. She has over 15 years of rich experience in the said field.
5)	Name of Listed Companies in which Directorship held other than Lumax Auto Technologies Limited	NIL	NIL
6)	Chairman/ Member of the Committee of the Board of Listed Companies other than Lumax Auto Technologies Limited	NIL	NIL
7)	Relationship with Directors Inter-se	Not related with any director	Not related with any director
8)	No. of Shares held in the Company	325	NIL

Route Map to the Venue of the AGM



LUMAX AUTO TECHNOLOGIES LIMITED

Registered Office: Plot No. 70, Sector 10, PCNTDA,
Bhosari, Pune – 411026, Maharashtra
Website: www.lumaxautotech.com, Tel: 020 66304617, 66304604
Email: shares@lumaxmail.com, CIN: L31909MH1981PLC025519

DK JAIN GROUP

ATTENDANCE – SLIP

Regd. Folio No. ______________________ *Demat A/c No. ______________________

No. of Shares Held: ______________________ DP. ID No. ______________________

NAME AND ADDRESS OF THE SHAREHOLDERS:

I/We hereby record my/our presence at the 37th Annual General Meeting of the Company being held on Tuesday, August 21, 2018 at 3.00 P.M. at Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune – 411 018.

____

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 holds shares in demat form must quote their Demat A/c No. and Depository Participant (DP) ID No.

LUMAX

LUMAX AUTO TECHNOLOGIES LIMITED

DK JAIN GROUP

Registered Office: Plot No. 70, Sector 10, PCNTDA,
Bhosari, Pune – 411026, Maharashtra
Website: www.lumaxautotech.com, Tel: 020 66304617, 66304604
Email: shares@lumaxmail.com, CIN: L31909MH1981PLC025519

Form No. MGT – 11

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 member (s):	E-mail Id:
Registered address:	Folio No/ Client Id: DP ID:

I/We, being the member (s) of .... shares of the Lumax Auto Technologies Limited, hereby appoint

1. Name: .... Address: ....

   E-mail Id: .... Signature:..., or failing him

2. Name: .... Address: ....

   E-mail Id: .... Signature:..., or failing him

3. Name: .... Address: ....

   E-mail Id: .... Signature:..., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual general meeting of the company, to be held on the August 21, 2018 At 3:00 p.m. at Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune – 411 018, Maharashtra 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, 2018 and the Auditors and Directors Reports thereon.		
2	Declaration of Dividend on Equity Shares for the Year Ended March 31, 2018.		
3	Re-appointment of Mr. Deepak Jain, who retires by rotation.		
Special Business			
4	Re-appointment of Mr. D. K. Jain as an Executive Chairman of the Company for a period of Five (5) Years.		
5	Re-appointment of Mr. Anmol Jain as the Managing Director of the Company for a period of Five (5) years.		
6	Appointment of Mr. Sanjay Mehta as a Director		
7	Appointment of Mrs. Diviya Chanana as an Independent Director.		
8	Ratification of Remuneration payable to the Cost Auditor for the financial year 2018-19.		

*Applicable for investors holding shares in electronic form.

Signed this _____ day of ________ 2018.

Affix Revenue stamp

Signature of Shareholder

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.

Notes

Notes

Lumax Auto Technologies Limited
www.lumaxautotech.com | www.lumaxworld.in

Concept, Content & Design
WYATTPrism
COMMUNICATIONS
(info@wyatt.co.in)