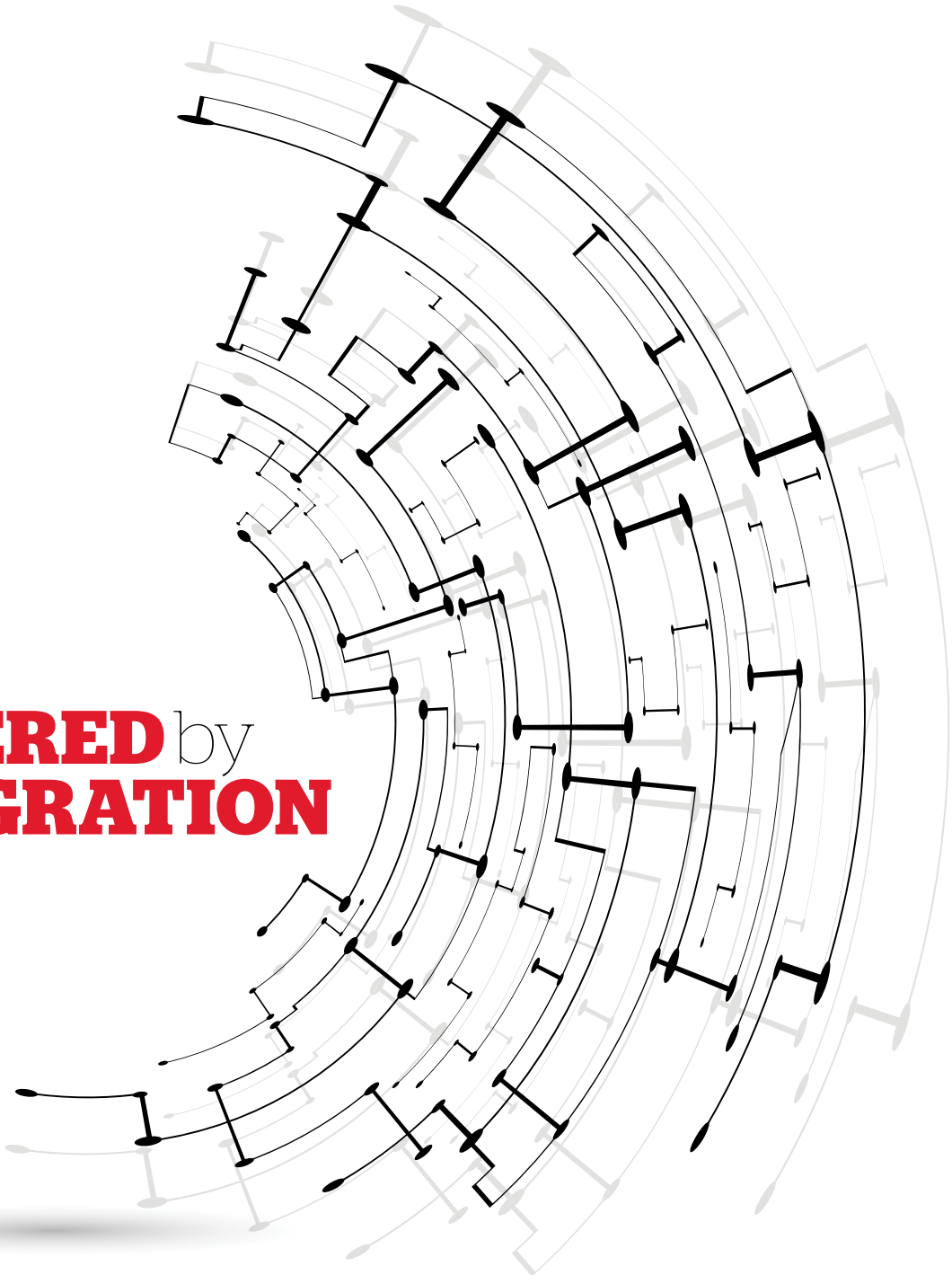
LUMAX

DK JAIN GROUP



POWERED by INTEGRATION

Lumax Auto Technologies Limited

Annual Report
2016-17

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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take 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 achievements of results are 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 keep 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

6,753.75
Market capitalisation (₹ mn) as on March 31, 2017 (based on NSE data)

723
Employee strength

0.06
Debt : Equity as on March 31, 2017

POWERED by INTEGRATION

The automobile industry is constantly undergoing evolution as advanced technologies, need for better vehicle design, ability to customise and increasing stringency in regulatory norms continue to disrupt existing practices.

In the wake of such scenario, it becomes necessary for players engaged in supplying critical components to leading automobile companies to consistently focus on innovation, upgradation of technologies, regular interaction with customers and localisation of plants as per customer's location.

At Lumax Auto Technologies Limited, we understood the importance of this long back and embarked on a journey to become a multi-product, multi-location, multi-customer, and multi-technology organisation. Focused on this, we entered into collaborations with several leading international automotive component manufacturers that provided us access to latest global technologies and set up several joint venture companies focused on specific areas of component manufacturing, thus diversifying our products portfolio. Moreover, the strong cash flows generated from our business enabled us to reach closer to customers as we set up state-of-the-art manufacturing facilities in key automotive hubs.

It is because of this strategy, that despite demonetisation adversely impacting our key business segments (two-wheeler and after-market) leading to decline in our standalone business, we managed to achieve a growth of 11.84% in the top line and 12.49% in the bottom line on a consolidated basis. Together, the individual strengths of these individual JVs and subsidiaries have multiplied, enabling Lumax Auto Technologies Limited to take on bigger challenges. Together, we are



151.25%
Dividend pay-out to shareholders during 2016-17

68.01
Investments (₹ mn) in Subsidiaries & JV's during 2016-17

CORPORATE SNAPSHOT



Group Snapshot

The D.K. Jain Group is the market leader in manufacturing automotive components. Steered by an industry leading experience of almost seven decades and by staying at the forefront of technology and innovation; the Group through its 12 entities caters to diverse and reputed customers across the world. The Group operations are located at 26 manufacturing facilities across 7 Indian states. In addition, it has 3 research & development (R&D) centres situated in India and 1 design centre at Taiwan. Raising the bar of performance at the Group are its 7,000+ people always working as a team to deliver the highest standards.

Lumax Auto Technologies Limited commenced operations in 1981 with the manufacture of two-wheeler lighting at Bhosari (Maharashtra). Over the years, the Company consolidated its operations and graduated to manufacture diverse products catering to the two, three and four wheeler segments. It has 12 manufacturing facilities across 5 states, 1 R&D centre, multiple product lines, 5 international partnerships and a pan-India marketing presence, making it one of the leading integrated auto components manufacturers in India.

It has over three decades of experience in manufacturing automotive components for leading Original Equipment Manufacturers (OEMs) and the aftermarket segment, and is a leader in the automotive gear shifter technologies. It is amongst the few integrated players in India, possessing the combination of robust R&D capabilities, technological competence, ability to design, and manufacture products. It is the only one in the country having the competencies to manufacture and supply gear lever for electric cars.

Product & Services

Intake Systems, Integrated Plastic modules, 2-wheeler Chassis & Lighting, Gear Shifters, Seat Structures & Mechanisms, LED Lighting, Aerospace & Defence Engineering Services, Aftermarket-Domestic & Exports, Electrical & Electronics Components

Foreign collaborations

Cornaglia (Italy)	MANNOH (Japan)	Gill Industries (USA) / AUSTEM (Korea)	SIPAL (Italy)	ALPINE (Japan)
JV for Emission Systems	JV for Gear Shifters	JV for Seat Frames, Structures and Mechanism	JV for integrated Logistic Support Engineering	Exclusive distributorship agreement
Relationship since 2007	Relationship since 2008	Relationship since 2013	Relationship since 2015	Relationship since 2014
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.	

Esteemed clientele

Four-wheeler

MARUTI SUZUKI Way of Life! · HONDA · TOYOTA · Mahindra · TATA · FIAT · GM · LEAR CORPORATION · ADIENT

Commercial vehicle

TATA · Mahindra · DAIMLER · VE COMMERCIAL VEHICLES (A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE)

Two-wheeler

BAJAJ · Continental · HONDA

Export

MOT PTMAT · TVS AUTOSERV

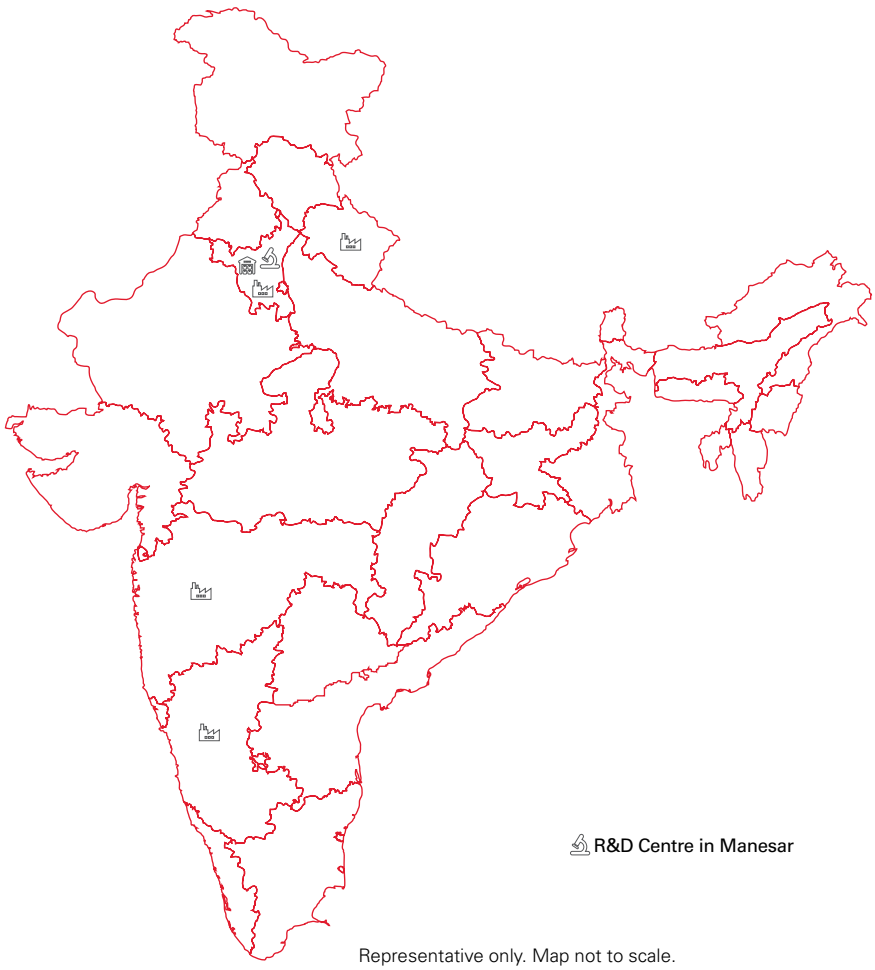
Aftermarket
Domestic & Global

Corporate strengths

- **Brand recognition:** Quality products and supply reliability make it one of the most trusted brands in the segment. In the past decade, it has added many new customers.
- **Integrated:** A well spread network of subsidiaries and JVs, facilitates manufacture of diverse products catering to requirements of diverse segments within the automotive sector.
- **Technological competence:** Collaboration with global experts and in-house R&D capabilities facilitates development of high quality innovative products catering to customer specifications.
- **Strong balance sheet:** Robust business model and financial prudence has resulted in strengthening fundamentals. During the past three years, its net worth, return on capital employed and free cash flows have increased significantly, while the long-term debt declined.
- **Distribution network:** A robust network of over 300 channel partners ensures timely supply of products to the customers and steady availability in the retail market.
- **Operational excellence:** Adherence to strict standards of JIPM-TPM, TQM and six-sigma enables it to maintain high quality standards and enhance productivity.

Geographic presence

Headquartered in Pune (Maharashtra)



R&D Centre in Manesar

Representative only. Map not to scale.

Manesar (Haryana)
3 plants
Products manufactured
SMT - LED, integrated plastic modules, gear shifters

Chakan & Bhosari (Pune, Maharashtra)
5 plants
Products manufactured
Lighting, air intake systems, CAC ducts, fabrication, seating frames & mechanisms

Aurangabad (Maharashtra)
2 plants
Products manufactured
Chassis

Bengaluru (Karnataka)
1 plant
Products manufactured
Integrated plastic modules

Pantnagar (Uttarakhand)
1 plant
Products manufactured
Lighting and painted parts

Gurugram (Haryana)
Aftermarket - Domestic and Export

Business structure

LUMAX AUTO TECHNOLOGIES LIMITED

Subsidiaries	
Lumax DK Auto Industries Ltd. **(100%)**	Lighting, integrated plastic modules
Lumax Mannoh Allied Technologies Ltd. **(55%)**	Gear shifters
Lumax Management Services Pvt. Ltd. **(100%)**	Corporate support services
Lumax Integrated Ventures Pvt. Ltd. **(100%)**	Non-Auto Products

Joint Ventures	
Lumax Gill-Austem Auto Technologies Pvt. Ltd. **(50%)**	Seat frames and mechanism
Lumax Cornaglia Auto Technologies Pvt. Ltd. **(50%)**	Air intake systems

Lumax SIPAL Engineering Pvt. Ltd. **(51%)**	Aerospace & defence engineering services
Lumax Energy Solutions Pvt. Ltd. **(100%)**	LED lighting
Velomax Mobility Pvt. Ltd. **(100%)**	Under Project Evaluation









AWARDS AND ACCOLADES



Lumax Auto received prestigious JIPM Award for TPM excellence



Lumax Mannoh, subsidiary Company awarded for efforts made for VAVE from Maruti Suzuki



Lumax Cornaglia, JV Company won Gold Award by ACMA for excellence in quality and productivity



Lumax Auto received TPM Award from Bajaj Auto Limited



Lumax Auto received Silver Quality Award from Bajaj Auto Limited



Lumax Auto received Quality-Gold Award from Bajaj Auto Limited



Lumax DK, subsidiary Company won JIPM Consistency Award

MILESTONES

1981-1990

1981
Lumax Auto Electricals Pvt. Ltd. was established to manufacture 2-wheeler Lighting at Bhosari, Maharashtra

1988
Name of the company was changed to Dhanesh Auto Electricals Pvt. Ltd.

1991-2000

1997
A Unit was setup in Waluj, Maharashtra to manufacture Chassis

2000
The company was selected as cluster member for TPM activities by Bajaj Auto Limited

2001-2006

2002
Started Lighting Division at Chakan in Pune

2006
Lumax DK Auto Industries Limited became a 100% subsidiary. Name of the company was changed to Lumax Auto Technologies Limited

2007-2011

2007
- Setup Seat frame manufacturing plant in PCNTDA, Bhosari, Maharashtra
- JV company with Cornaglia, Italy started as Lumax Cornaglia Auto Technologies Pvt. Ltd.
- Lumax Auto Technologies Limited listed on Stock exchanges

2009
Entered a TA with Mannoh Industrial Company, Japan for manufacturing of Gear Shift Lever

2011
Setup state-of-the-art Surface Mounted Technology unit in Manesar, Haryana

2012-2017

2012
- Setup the first Robotic Motorcycle Chassis plant in Waluj, Maharashtra
- Pantnagar plant received TPM excellence award from JIPM

2013
- Setup a plant at Narsapur, Karnataka to manufacture Moulded parts
- Formed JV with Gill Austem LLC, USA to manufacture Seat frames & Mechanism

2014
JV company with Mannoh Industrial Company, Japan started as Lumax Mannoh Allied Technologies Limited

2015
- Setup another Robotic Motorcycle Chassis plant in Waluj, Maharashtra
- Formed JV with Sipal, Italy for Aerospace & Defence Engineering services
- Market Cap crossed ₹ 500 cr first time

2016
Pantnagar plant received TPM consistency award from JIPM

2017
Chakan plant received TPM excellence award from JIPM

Unleashing the power of integration

In a consumer-driven and technology-oriented business, any major disruption or evolution has the potential to adversely impact the business and ruin all strategies. In such a scenario, a Company can only be protected through proactive investments in integration.

At Lumax Auto Technologies Limited, we have precisely done that, since our existence. By consciously investing in scaling, expanding reach and most importantly integrating by setting-up seven subsidiaries and joining hands with four leading international automotive components manufacturers.



This has not only widened our product portfolio, but has provided us access to advanced international technologies. While on one hand, this facilitated in significant growth in top line during favourable scenario, on the other, it also protected downside risks during adverse scenario by negating decline from one business area with higher growth from the other. Moreover, the access to advanced technologies enabled us to do value additions to existing product lines and create niche market for relatively newer technologies in the country.

This could only be achieved through strong performances of our JVs and subsidiaries:

- Lumax DK subsidiary, engaged in lighting and moulded parts witnessed a top line growth of 37.66% driven by strong demand from Bajaj Auto
- Lumax Mannoh subsidiary, engaged in gear shifter production witnessed a robust growth of 48.55% in top line driven by increasing trend of consumers shifting, preferring automotive transmission gear system over manual
- Lumax Cornaglia JV, engaged in emission systems witnessed a top line growth of 18.23% as carmakers adopted higher emission standards followed by the deadline for implementation of the BS-IV emission standards
- Lumax Gill Austem engaged in manufacturing of seat frames and mechanism had a top line growth of 403.60%. It started its commercial production from October 2016. During this financial year 2016-17, Company has geared up its production by achieving sales turnover of ₹ 817 mn
- Lumax Sipal engaged in Aerospace and defence engineering services is slowly establishing itself to cater to the needs of the Indian Industries

At Lumax Auto, the consolidated sum of parts has had a multiplier impact on our performance.

Poised to grow

The automobile industry is on the threshold of witnessing radical changes with the implementation of new taxation regime (Goods and Services Tax), introduction of more stringent regulatory norms and increased focus on safety standards. In such a scenario, a Company that can rapidly adapt to changes can sustain.

At Lumax Auto Technologies Limited, we are prepared to capitalise on the upcoming industry developments driven by our existing competencies, technology partnerships, presence in key growth segments, and proactive decision making. Some of the key industry developments over the coming years include:

GST implementation – a game changer for the industry

The implementation of GST is likely to be a game changer for the industry as well as the Company. Under the new taxation regime, the Company would be in a position to take benefits of excise and sales tax credits available on manufacture of aftermarket products. With better product prices and better quality standards, the Company would be strategically placed to compete with the unorganised sector, who despite having low prices cannot match with us on quality. Thus, on one hand, the Company's volumes will expand, while on the other, with prudence the margins will also grow. In view of this, the aftermarket division focuses on implementing important strategies to enhance our market share in the segment. These include:

- Enhancing and expanding the existing retail network to cater to the demands of the B and C class towns, targeting around 15,000 retail points across the country, by reaching out to district headquarters of each state
- Establishing a dedicated NPD (New Product Development) department to speed up the introduction of new products.

We are confident that this change along with our strong network of channel partners and the quality of our products, will help us establish a leadership position.

BS VI norms

As the country prepares to leapfrog straight from the BS-IV vehicle emission norms to BS-VI norms



by April 1, 2020 across all vehicle segments, the 4-wheeler industry faces a daunting challenge of upgrading design of vehicles considering the adaptation of critical components like diesel particulate filter and selective catalytic reduction module to Indian conditions. Moreover, this regulation demands two-wheeler players to undergo a radical change as it will have to shift from carburetted to fuel injection system to meet new emission norms, which will require addition of new component like electronic control unit, injectors, high pressure fuel pump and sensors. In case of the 4-wheeler segment, products such as Urea Tank with the sensors, that form an integral part of the Selective Catalytic Reduction system, will gain very high significance from the BS-VI regulation perspective.

In addition, OEMs will focus on light-weighting of vehicles through implementation of products like Plastic Oil Sump and Plastic Fuel Filler Pipe among others that will indirectly contribute to reduced emissions.

At Lumax Auto Technologies, we are well prepared to counter this challenge, owing to our partnership with Cornaglia (Italy). Having its operations in Europe, it already has technologies for European emission standards. The automotive segment being our key business area, will be in a position to significantly gain from this development.

Drive for electric vehicles

The government, through its FAME (Faster Adoption and Manufacturing of Hybrid and Electric Vehicle) programme is focussing on incentivising the promotion of electric mobility to counter rising pollution. Through this, demand incentives worth ₹ 166 cr have been utilised for purchase of 1 lac electric and hybrid vehicles during April 2015-February 2017. Besides, there is a clear direction from the government for achieving 100% electric vehicles sales by 2030.

At Lumax Auto, we are at the forefront to capitalise on this opportunity, given our track record of being the first and the only manufacturer in the country to supply gear lever to the electric cars. We shall leverage this first mover advantage to enhance market share in this category.

Electric content in vehicles to rise

According to a McKinsey report, the value of electronic components in vehicles, currently estimated at 23% of vehicle prices in 2010, which is estimated to increase to 45% by 2030. Advanced technologies related to safety, sensors, telematics, fleet management, auto cruise, navigation, parking assistance, infotainment, and anti-theft systems is likely to drive this growth. Lumax has strongly positioned itself to offer advanced solutions in above potential areas to its customers.

At Lumax Auto, we strive to leverage existing competencies and partnerships along with exploring opportunities for new technical partnerships in specific areas to capitalise on this opportunity.

Focused on raising standards

In a business where precision, high quality standards and supply reliability counts the most, it is imperative for a Company to adopt a culture of continuous improvement to emerge a winner.

Focused on enhancing quality

Our quality improvement strategy follows a two-pronged approach – improving internally and controlling external factors. For internal factors, we have adopted several quality and productivity enhancement initiatives, the results of which are regularly verified and areas of concerns are addressed through an empowered quality assurance team. For external factors, we have focused on consolidating our supplier base by strengthening relations with suppliers that meet our stringent quality standards. We conduct regular audits at supplier plants to ensure quality and supply reliability standards. A persistent low rating of supplier would mean that we discontinue business with them. Regular customer meets are also arranged to understand their requirements and have feedback on our performance.

At Lumax Auto Technologies Limited, we have always been motivated to become the best rather than just being the biggest. It is this drive for excellence that continuously pushes us to move beyond our comfort zone and adopt unconventional strategies to raise our standards. Our key initiatives towards this objective includes:

Focused on reducing costs

Owing to the significant proportion of raw material cost to overall costs, we have focused on rationalising our supplier base by identifying key long-term suppliers. Strengthening relations and enhancing business volumes with them would strengthen our bargaining power. Over the years, we have also invested in debottlenecking operations at several plants enabling us to expand volumes, which in turn facilitate better sweating of assets and economies of scale. Initiatives of reducing inventory levels, product and process standardisation and automation have further contributed to cost reduction.

Focused on becoming bigger

Our strategy of ECNP (supplying existing customers new products), NCEP (supplying new customers existing products) and NCNP (supplying new customers new products) has contributed to strong growth in our business volumes. This has enabled us to significantly grow our capacities and expanding network to newer geographies.

Focused on empowering people

Our people strategy focuses on enhancing employee skills and productivity through regular training. The Company's employees have a strong commitment towards the quality control circle, which focuses on continuous improvement on the shop-floor.

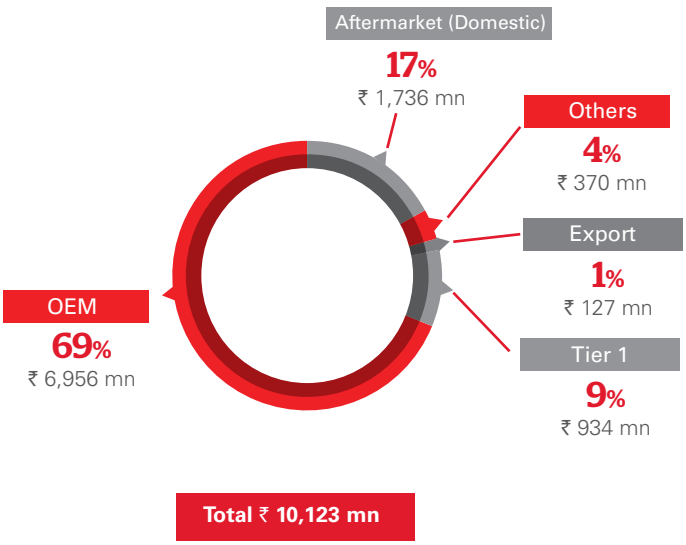


ACCELERATING OVER THE YEARS

Revenue growth	EBITDA growth	PAT growth (before minority interest)	Net worth	Market capitalisation growth	Total assets growth
11.84% Over 2015-16	14.52% Over 2015-16	12.49% Over 2015-16	12.08% Over 2015-16	57.66% Over 2015-16	11.98% Over 2015-16

Revenue break-up by sales channel

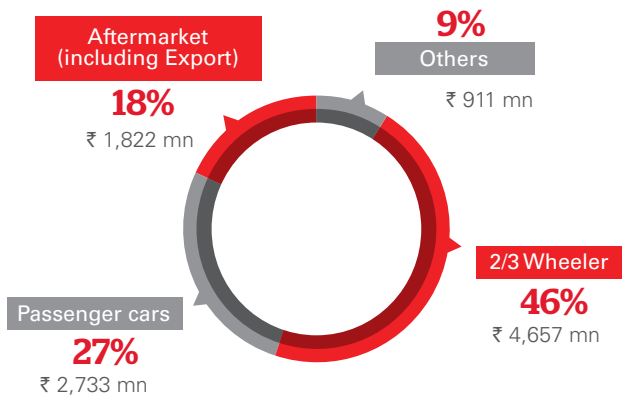
2016-17



Total ₹ 10,123 mn

Revenue break-up by category

2016-17

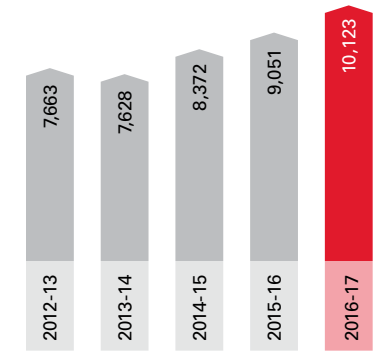


Total ₹ 10,123 mn

KEY FINANCIAL FIGURES
(CONSOLIDATED)

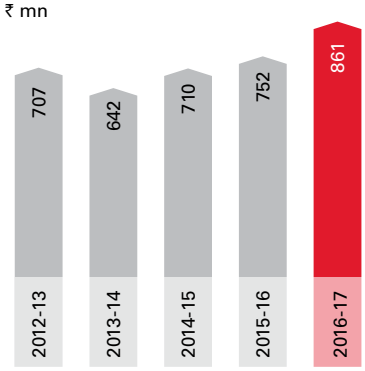
Revenues

₹ mn



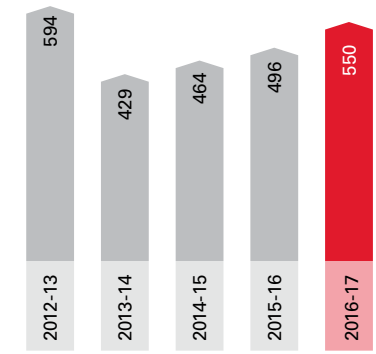
EBITDA

₹ mn



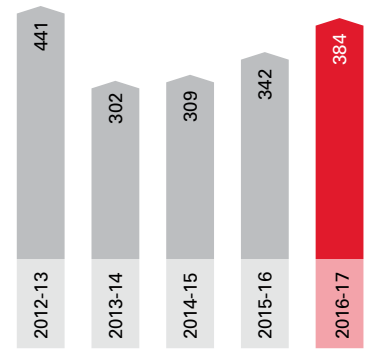
PBT

₹ mn



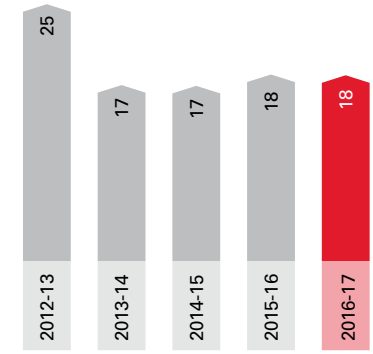
PAT (Before minority interest)

₹ mn



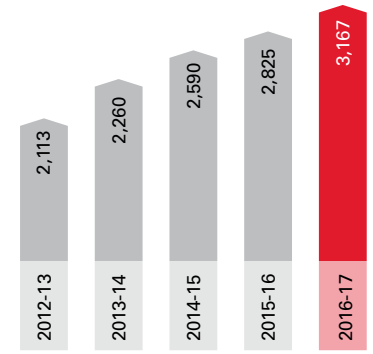
ROCE

%



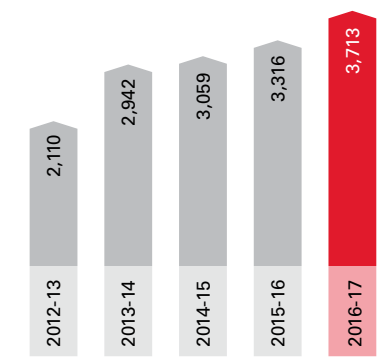
Net worth

₹ mn



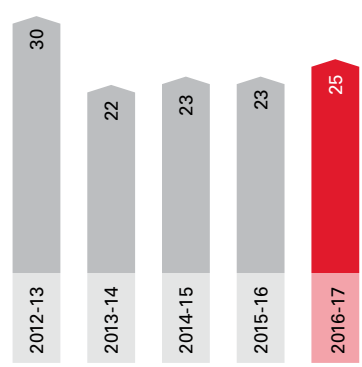
Gross block

₹ mn



EPS

₹



FROM THE DESK OF MANAGEMENT

Dear Shareholders,

The year 2016 was an eventful year across the globe marked with several unpredictable developments. The political disturbances in the Middle East, the Presidential elections in the USA and Brexit phenomenon contributed to heightened volatility across the global markets driven by worries of rising inward-looking policies.

Back in India, the scenario was much better as we witnessed one of the most momentous events in years, i.e. demonetisation that led to temporary disruptions in market and decline in consumption triggered by abrupt fund crunch. However, its impact in the long run is likely to be beneficial with massive amount of idle funds getting channelised into the system and the country maturing towards digitalisation and cashless transactions. The robust macro-economic fundamentals and much-needed political stability in the country are apt to facilitate business growth and infrastructural development. The inflation is stable and repo rate is at multiple years low. On the whole, the country is attractively placed on the global maps and the likely implementation of the much-awaited Goods and Services Tax (GST) would further improve the scenario.

The automobile industry, which is in the middle of transformation, driven by new regulatory norms and evolving consumer requirement, witnessed a moderate performance. Though, the industry witnessed revival in rural demand, it was more or less negated by the setbacks



from demonetisation in the last two quarters. In spite of this, the outlook for the industry remains positive on the back of favourable demographics, low vehicle density, rising roads and highways network, and surge in affluent population.

Performance review 2016-17

In the midst of all this, the Company witnessed some jerks in its two-wheeler and aftermarket businesses that led to a decline in the performance of the standalone business. Nevertheless, the might brought to the organisation through a combination of various subsidiaries and joint ventures is what protected us at consolidated levels. On a consolidated level, the Company's top line grew 11.84% to ₹ 10,123 mn, while EBITDA and PAT grew 14.52% and 12.49% respectively to ₹ 864 mn and ₹ 384.37 mn respectively. The fact, that we added several new customers and product lines during the year, makes this growth even more exciting. Relatively newer technologies of auto transmission gear and electric shift by wire, have found good traction among end users much to the satisfaction of the OEMs. During the year, we undertook a strategic decision of closing down a unit in Aurangabad, which was running on losses due to lack of significant order from the customer. The said plant was closed by the Company after completion of all applicable formalities including payment of all prescribed statutory dues and compensation as per the law. We have sold off a bulbs and wire manufacturing plant at Kala-Amb, Himachal Pradesh on slump-sale basis owing to its insignificant contribution to the growth of aftermarket division.

Going forward, the implementation of GST and BS-VI emission norms would turn the tables in the

Company's favour. GST would enable us to compete with unorganised players in the aftermarket segment driven by cost reductions achieved from tax credit benefits. While the BS-VI emission norms that would require OEMs to undertake significant modifications in design, it will pose significant opportunity for us, owing to our JV with Cornaglia, to meet the changing emission norms.

Strategic initiatives

With the industry scenario getting more facilitative for us, we are leaving no stone unturned by undertaking a series of initiatives to enhance operational efficiencies, reduce costs, enhance quality control measures, and strengthen relations with customers and suppliers. Our key strategies for the coming years shall be:

- Focus on widening product lines and increasing customer base by identifying key areas of technology gaps where we can deliver requirements of the customers
- Explore opportunities in the areas of sensor technology, telematics and fleet management, which shall be the key business drivers in the coming years
- Leverage the robustness of our business model that has enabled reduction in debt and maximisation of cash flows to explore opportunities for technical collaboration and capacity enhancement
- Enhance proportion of automation at plants for higher operational efficiencies and cost reduction
- Take customer-centricity to higher levels through regular interaction and review mechanism with the senior level management to understand areas of improvement and requirements and make them aware of our product offerings
- Upgrading to tier I supplier in the seat frames and mechanism segment

GOING FORWARD, THE IMPLEMENTATION OF GST AND BS-VI EMISSION NORMS WOULD TURN THE TABLES IN THE COMPANY'S FAVOUR. GST WOULD ENABLE US TO COMPETE WITH UNORGANISED PLAYERS IN THE AFTERMARKET SEGMENT, DRIVEN BY COST REDUCTIONS ACHIEVED FROM TAX CREDIT BENEFITS.

Message to the stakeholders

On behalf of the Board, we take the opportunity to thank all our stakeholders, the bankers, suppliers, customers, shareholders and investor community for their continued support to us. We believe that as an organisation we have lived up to your expectations during all these years, taking the Company to newer heights and making it a partner of choice for several leading OEMs.

In the last 10 years since our listing, the price of Company's shares have grown six times from ₹ 75 in 2007 to ₹ 450 as on March 31, 2017. In addition to this capital appreciation, we have even provided average annual returns of 44% in the form of dividends. We would like to assure you that your Company is continuously working towards betterment and expect that the coming years would be more rewarding. We would also like to thank our employees whose concerted efforts have brought us here. We are prepared, as an organisation to take on challenges and build a greater organisation.

Warm regards,

D. K. Jain
Chairman

Anmol Jain
Managing Director

Deepak Jain
Director

BOARD OF DIRECTORS



Left to right:	Mr. Milap Jain Independent Director	Mr. Roop Salotra Independent Director	Mr. Sandeep Dinodia Independent Director	Mrs. Usha Jain Director	Mr. D. K. Jain Chairman



Mr. Anmol Jain
Managing Director

Mr. Deepak Jain
Director

Mr. D. D. Gupta
Independent Director

CORPORATE SOCIAL RESPONSIBILITY

Besides its business activities, Lumax significantly contributes towards the development of the community at large. Over the years, the Group's CSR arm, Lumax Charitable Foundation, has undertaken development activities in the areas of health and education, to help children, youth and elderly improve their lives, with an emphasis on girl child.







Lumax Charitable Foundation works with schools in Haryana, Karnataka, and Maharashtra 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. Further, infrastructure support through constructing classrooms, providing DG sets for uninterrupted power supply, water sanitation facilities, and providing smart classes and e-learning opportunities are covered under its purview. To strengthen the education programmes, the Foundation has undertaken capacity building for the teachers on teaching methodologies, providing learning aids, school starter kits and materials for co-scholastic activities.

In the area of health, the Foundation focuses on several programmes to provide good health to the underprivileged, vision and eyesight was the direct extension of our business, therefore we decided to partner with ICare to help improve the vision of the underprivileged in rural areas affected by Cataract. Further, we have partnered with Jehangir Hospital to spread awareness and provide medical support for Juvenile Diabetes and health check-up of the underprivileged children in schools where the Foundation is engaged. Meanwhile, the Foundation, through Akshaypatra also provides free nutritious midday meals.

Focused on an innovative approach

Our vision of CSR focuses on developing a model to create self-sustaining schools. During the festival season, the school children are encouraged to make Lord Ganesh idols from organic clay, rakhis and paintings, which are then sold at our locations to raise funds. This approach not only helps in enhancing the child's creativity but also generate funds for aligned activities in schools and provide opportunity for individuals to become a part of a greater cause.



DIRECTORS' REPORT

To The Members,

It is a great privilege for your Directors to present the 36th Annual Report on the business and operations together with Audited Balance Sheet and Statement of Profit & Loss of your Company for the year ended March 31, 2017.

I. FINANCIAL PERFORMANCE

We are pleased to inform you that during the financial year 2016 -17, on consolidated basis your Company crossed the ₹ 10,000 million sales landmark for the first time ever. The Company achieved Sales Turnover of ₹ 10,123.16 million for the current year as against ₹ 9,051.46 million in the previous year, recording a growth of 11.84% on consolidated basis. Our net profits after minority interest increased to ₹ 341.43 million for the current year as against ₹ 317.66 million in the previous year, recording a growth of 7.48 %.

Key highlights of standalone financial performance of your Company for the year is as follows:

(₹ in Million)

PARTICULARS	2016-17	2015-16
Net Sales	**5082.60**	5619.30
EBITDA	**269.56**	430.68
Finance Expenses	**35.46**	43.26
Depreciation	**130.84**	116.99
Profit Before Exceptional items and Tax	**103.26**	270.43
Exceptional Item	**(32.24)**	-
Profit Before Tax (PBT)	**71.02**	270.43
Provision for Taxation, Deferred Tax	**20.04**	74.93
Profit After Tax (PAT)	**50.98**	195.50
Balance of Profit brought forward	**624.75**	515.54
Balance Available for Appropriation	**675.73**	711.04
Appropriation:		
Dividend*	**-**	64.07
Corporate Dividend Tax*	**-**	2.66
Transfer to General Reserve	**-**	19.56
Balance carried to Balance Sheet	**675.73**	624.75
Dividend (%)	**47**	47
Basic and Diluted Earning Per Share (EPS) ₹	**3.74**	14.34

DIVIDEND*

Your Company has a long track record of distribution of dividend to the shareholders. Maintaining the said commitment this year as well, your directors are pleased to recommend a Dividend of ₹ 4.70/- (47%) per Equity Share of face value of ₹ 10/- each for the Financial Year 2016-17 subject to the approval of the shareholders at the ensuing Annual General Meeting. The total amount of dividend proposed to be distributed aggregates to ₹ 77.11 Million (Including Dividend Tax). The Dividend pay-out ratio comes to 151.25%.

SUBSIDIARIES AND JOINT VENTURE COMPANIES

During the financial year ended March 31, 2017, your Company had 7 (Seven) subsidiaries and 2 (Two) joint ventures companies. 4 (Four) of these are direct subsidiaries and rest 3 (Three) are step-down subsidiaries.

During the year under review, Company acquired Lumax Management Services Private limited as its 100% wholly owned subsidiary and incorporated Velomax Mobility Private Limited as its step-down subsidiary.

**According to the Companies (Accounting Standards) Amendment Rules, 2016, it has been provided that if a Company declares dividend after the balance sheet date, the Company shall not recognise that dividend as a liability at the balance sheet date hence dividend and tax thereon is not accounted in the FY 2016-17.*

A report on the performance and financial position of each of the subsidiaries and joint venture companies as per the Companies Act, 2013 included in the consolidated financial statement is presented in a separate section in this annual report and hence not repeated here for the sake of brevity. Please refer Form AOC-1 annexed to the financial statement in the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with the Accounting Standards, Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws for the time being in force and the same forms part of this Annual Report.

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. These documents shall also be available for inspection by any shareholder at the registered office of the Company.

INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA), vide its notification dated February 16, 2015, notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. 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. The same is applicable from April 1, 2017 to the Company and all its subsidiaries and JV Companies. Your Company will accordingly adopt Ind AS from financial year 2017-18 onwards.

II. BUSINESS

The Automotive Industry can be termed as the mother of manufacturing sector in an economy as its fortunes directly impacts the fortunes of several related manufacturing Industries (e.g. Iron & Steel, Aluminium, Lead, Rubber, Plastics, Glass, Machine tools, Moulds & dies, Chemicals and Capital goods) and several in the Services sector (e.g. Logistics, Insurance, Banking, Sales & Distribution, Service & repair and fuels).The rapid growth of the Indian Automotive will further provide a strong fillip to the micro & small and medium Industries of the country across multiple sectors, the development of which is one of the Governments' principle objectives. *(Source: ACMA)*

The Auto sector, which saw a revival last year after two years of turbulence, is set to continue the momentum this year with demand picking up across all segments. The growth of the auto industry is expected to continue in 2017 across all vehicle categories-commercial and passenger vehicles, as well as two and three-wheelers. Owing to its strong forward and backward linkages with several key segments of the economy; this sector has emerged as Sunrise Sector in the Indian economy.

In the above background, we inform that your Company has been in existence for over three decades and has successfully emerged as a preferred supplier to leading OEMs. We are also among the leading automotive companies in Aftermarket Sales of several automotive parts; genuine quality and certified products has been the focus area of our company, which has helped us to establish its strong foothold in the aftermarket. Our clearly defined business structure wherein we have developed a business model, which is channelized through subsidiaries and joint venture, has helped us to operate with multiple product lines and multiple partnerships with these to ensure superior business performance and sustainability.

We have collaborations with technologically competent entities from across the globe, which has enabled us to strengthen our product development capabilities and has helped us to expand our operations, customer base and gain market leadership. Company's products are mainly covered under automotive components, which are further divided in these six product domains i.e. Electrical & Electronics, Metallic, Emission, Body & Trim, Polymer & Paint and Retail. Products and services of the company mainly covers Intake systems, Integrated plastic moulds, 2-wheeler chassis and lighting, Gear Shifters and Seat Structures & Mechanisms, LED Lighting etc.

We have a diverse basket of product offerings for the OEMs and also for the Aftermarket Sales Segment. New product development department is being setup to speed up the introduction of new products to the market. Our new branding strategy to support and create a unique identity of products marketed will be a major step for this division. We are confident that this change will help us to maintain the leadership position in the aftermarket.

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 launched across all plants of the company to create a culture and environment which continuously improves quality, cost and delivery parameters. Further, one of the unit of Company situated at Chakan successfully completed Audit of Japan Institute of Plant Maintenance (JIPM) and was honoured with the prestigious JIPM TPM excellence award. Another unit situated at Bangalore has been endowed with appreciation certification and A1 ranking from Honda Motor Scooter India Private Limited (HMSI) for its quality supply. 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, cost saving.

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 **Annexure – A**.

III. GOVERNANCE AND ETHICS

CORPORATE GOVERNANCE

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

DIRECTORS & KEY MANAGERIAL PERSONNEL

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

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

The Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

NUMBER OF BOARD MEETINGS AND COMMITTEES OF BOARD

The Board of Directors met 6 (Six) times in the Financial year 2016-17. The details of the board meetings, attendance of the Directors and the details regarding Committees of the Board of Directors of the Company are provided in the Corporate Governance Report.

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 and SEBI (Listing Obligations and Disclosure Requirements) 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.

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 Member 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.

REMUNERATION POLICY

The Company follows a policy on remuneration of Directors and Senior Management Employees. The Policy is approved by the Nomination & Remuneration Committee and the Board. The Remuneration Policy is stated in the Corporate Governance Report.

RELATED PARTY TRANSACTION AND POLICY

In accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 the Company has formulated a policy on Related Party Transactions, which is available on the Company's website at http://www.lumaxautotech.com/downloads/related-party-transaction-policy.pdf. All Related Party Transactions, which are foreseen and repetitive in nature, are placed before the Audit Committee on an yearly basis for obtaining prior omnibus approval of the committee. The transactions entered into pursuant to the omnibus approval are placed before the Audit Committee for review and approval. 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 the Listing Regulations 2015.

All related party transactions entered during the financial year were in the ordinary course of business and on arm's length basis. The particulars of contracts or arrangements with material related parties referred to in Section 188 of the Companies Act, 2013 in the prescribed Form AOC-2 is annexed herewith as **Annexure - C.**

COMPLIANCE MANAGEMENT FRAMEWORK

Your Company has a robust and effective framework for monitoring compliances with applicable laws. The Company has adopted comprehensive Compliance Manual for structured control over applicable compliances by each of the units of the Company. A separate Corporate compliance management team periodically reviews and monitors compliances by units and supports in effective implementation of same in a time bound manner. The Board and Audit Committee alongwith Compliance team periodically monitors status of compliances with applicable laws based on quarterly certification provided by senior management.

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 31st March, 2017, 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.

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 **Annexure – D**. 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.

IV. INTERNAL FINANCIAL CONTROLS AND AUDIT

INTERNAL FINANCIAL CONTROL

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 finance systems is supported by a web-based system SAP which helps in obtaining accurate and complete accounting records and timely preparation of reliable financial disclosures at all levels of organization.

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.

AUDITORS

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, subject to ratification by the Members at every Annual General Meeting. Your Directors recommend for ratification of their appointment in the ensuing Annual General Meeting.

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

COST AUDITORS

The Board has re-appointed M/s Jitender, Navneet & Co. as the Cost Auditors of the Company in accordance with Section 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 2016-17. The Cost Audit Report for the Financial Year 2015 -16 has been filed with the Central Government within the stipulated time on September 30, 2016.

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 2016-17. The Report of the Secretarial Audit is annexed herewith as **Annexure - E**.

V. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND INITIATIVES

Your Company is committed to grow and operate in a socially sustainable manner and continue 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. 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% of the average net profits of the last three financial years. The Company is committed to spend 2% 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 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. The details of CSR policy is available on the company's website http://www.lumaxautotech.com/downloads/CSR-policy-28-05-2015.pdf. The detailed Report on CSR activities is annexed herewith as **Annexure - F**.

VI. OTHER DISCLOSURES

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 **Annexure - G**.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Transfer of unpaid dividend

Pursuant to the provisions of Section 124(5) 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 years. Consequently, your company has transferred ₹ 42,579/- during the year to the Investor Education and Protection Fund, lying with it for a period of seven years pertaining to year 2008-09 and the interim dividend aggregating to ₹ 33, 531/- pertaining to year 2009 -10, was transferred during the year 2016 -17, to the Investor Education and Protection Fund established by the Central Government.

Transfer of shares underlying unpaid dividend

Further, pursuant to recent enforcement of Section 124(6), the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the Demat account of IEPF authority. Accordingly, all such shares shall be transferred as per the requirement of IEPF Rules. The details of such shares ~~is~~ are also available on the Company's website http://www.lumaxautotech.com/investors/iepf-investor-details.html.

In view of above, due reminders were sent to Shareholders informing them to encash their dividend and the complete List of such Shareholders whose Shares are due for transfer to the IEPF is also placed in the Unclaimed Dividend

section of the Investor Section on the website of the Company.

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.

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.

MATERIAL CHANGES AND COMMITMENTS

During the year under review, the Company had closed down the manufacturing operations of its unit Situated at A -8, Waluj MIDC, Aurangabad w.e.f. 30.12.2016 due to low customer demand and financial constraints.

Further, the Company had also sold its manufacturing unit situated at Kala amb to Lumax Ancillary Limited, one of the Group Company by way of Slump sale.

Against investment by your Company in various entities, your Company has received financial of these entities for the year 2016-17 confirming that the dividend income for the said year amounting to ₹ 87.49 mn is due to your Company. The same will be received by the Company after approval of dividend by shareholders of respective entities in their AGM.

No other material changes and commitments affecting the Financial position of the Company have occurred between April 1, 2017 and the date of this report.

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 **Annexure –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.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints, if any, received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any employees of the Company.

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. Company ensures payment of all dues to exchequer well within timeline as applicable.

ACKNOWLEDGEMENT

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 15, 2017

LUMAX

ANNEXURE-A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC OVERVIEW

Global Economy

The global economy grew 3.1% in 2016 compared to 3.2% in 2015. Growth in the Advanced Economies (AEs) slowed down to 1.6% against 2.1% in 2015, while that in Emerging Market and Developing Economies (EMDEs) remained constant at 4.1%. Weak performances among AEs (especially the USA and the UK), crucial readjustments among EMDEs (especially China) and commodity exporters' structural adjustment to lingering decline in trade terms were the key factors responsible for slowdown. Though, the growth among Advanced Economies was stronger than expected, driven by reduced inventory drag and moderate recovery in manufacturing it was offset by unexpected slowdown among the emerging nations. These developments have put further downward pressure on global interest rates, as monetary policy is now expected to remain accommodative for longer. Besides, the Brexit phenomenon (the UK deciding to exit the European Union) and the election of Donald Trump as the Republican President of the USA were two key events of 2016 that have added to further uncertainty and dwindling sentiments. *(Source: IMF – World Economic Outlook Update, WEO)*

Among advanced economies like those of USA, the output growth rate declined from 2.6% in 2015 to 1.6% in 2016. In the last three months of the year -- between October and December -- the economy grew at an annual rate of 1.9%. It's the slowest pace of growth since 2011 and it reflects how slow the recovery has been for many Americans since the Great Recession, which ended in 2009. Weak economic growth was a key reason behind President Trump's election, however, the President promises to get growth up to 4% a year, something that hasn't happened since the late 1990s. As per Joseph Brusuelas, chief economist at RSM (a consulting firm), the USA economy is currently starving for reforms. He further states that President Trump's focus on reforms in tax, infrastructure and regulation is likely to boost productivity and growth. *(Source: IMF – WEO, CNN Money)*

The Euro area also witnessed a slowdown as it grew 1.7% compared to 2% in 2015 on account of feeble demand, declining output and low investments that impacted growth among major Euro area economies. Countries like Germany, UK and Spain witnessed some revival in activities during the second half of the year with rising domestic demand. As per the European Commission, though scenario in European Union is improving, factors like high unemployment (9.6% in 2016), sustained shortfall in investment (20% in 2016 compared to 22% in 2000-05) and low capital formation (current account surplus at 3% of GDP) continues to be a matter of concern. This persistent weakness in investment casts doubt over the sustainability of the recovery and the economy's potential growth. *(Source: IMF – WEO, European Commission)*

Emerging Market and Developing Economies like China, the largest in the region, witnessed a further slowdown from its high-paced growth phase for fifth year in a row as the economy grew 6.7% in first three quarter of the year against 6.9% in 2015 owing to economic rebalancing. Continued policy stimulus and strong investments in real estate and infrastructure enabled the economy to perform better than expected. The key factors responsible for weakening Chinese economy are declining fixed asset investment from private sector, overcapacity burdening the government, and uncompetitive services sector. Countries like Argentina, Brazil and Turkey continued to face slowdown. While in Russia, the strengthening oil price has resulted in economy slowly reviving from recession. *(Source: IMF – WEO, Forbes)*

Outlook

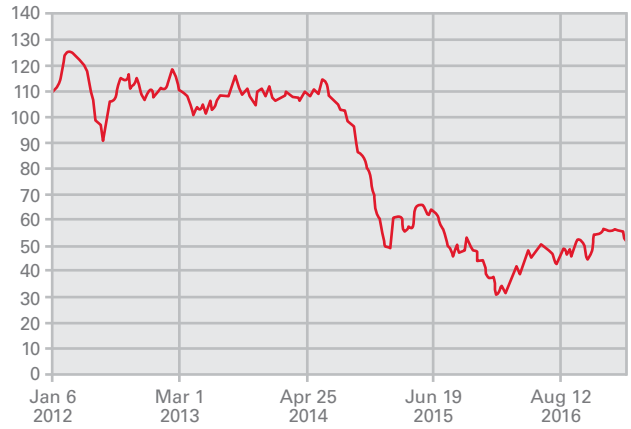
The global economic outlook seems positive driven by better than expected turnaround of events during H2 2016 with declining inventory drags and revival of manufacturing activity in advanced economies. Moreover, there is a clear indication of improving financial sentiments with firming oil prices, stabilising interest rates, and revival in key economies across the globe. Driven by these, IMF expects the global economy to grow 3.4% in 2017 and then by 3.6% in 2018. Growth in advanced economies and EMDEs is likely to be 1.9% and 4.5% respectively. *(Source: IMF – WEO)*

Crude oil prices

The crude oil price slide from USD 112 in June 2014 to under USD 30 in February 2015 triggered severe imbalances across global economies, especially among commodity related industries that were directly linked to it. Since then, the oil prices have stabilised averaging USD 43.33 in 2016 and expectation of averaging USD 53.49 and USD 56.18 in 2017 and 2018 respectively. A crucial initiative undertaken by the key oil producers globally during the end of 2016 was the agreed consensus to reduce oil production from January 2017 onwards. The OPEC (Organisation of the Petroleum Exporting Countries) and non-OPEC members agreed to cut production by 1.2 million barrels per day (mb/d) and

558,000 mb/d respectively. *(Source: Energy Information Administration, EIA, the Guardian)*

Brent crude oil price trend



Indian Economy

Notwithstanding delays in domestic policy reforms, India's economy is "slowly gaining momentum" and is projected to grow by 7.1 % in 2017-18, as per an UN report forecast. The World Economic Situation and Prospect report, in its mid-2016 update, mentioned that India is expected to achieve a 7.5% GDP growth in 2017 and the economic prospects of the South Asian region will be "contingent" on the growth trajectory of India and Iran. "India's economy is slowly gaining momentum, with an expected GDP growth of 7.3 and 7.5% in 2016 and 2017, respectively. Despite some delays in domestic policy reforms and enduring fragilities in the banking system, investment demand is supported by the monetary easing cycle, rising FDI, and government efforts towards infrastructure investments and public-private partnerships.

Key macro-economic indicators

	2016-17	2015-16
GVA at basic prices (% change)	**6.6**	7.8
Agriculture (% change)	**4.9**	0.7
Industry (% change)	**7.0**	8.8
Services (% change)	**6.7**	9.7
Gross fixed capital formation (% change)	**2.4**	6.1
Index of Industrial Production (% change)	**5.0**	3.4
Inflation (all India CPI) (%)	**3.8**	4.9

(Source: RBI Bulletin, March 2017)

Demonetisation

The landmark implementation of demonetisation (withdrawing 86% of circulation currency) followed by focus on creating a cash-less economy, though created major disruptions in the market, is expected to benefit the economy by cracking down on black money hoarders and curbing the growth of parallel economy. As per McKinsey, the parallel economy of India accounting for nearly 26% of its GDP, if brought under the scope of formal economy can boost its GDP growth. Moreover, it is likely to enhance government tax collections that can be effectively invested.

Stable governance and government initiatives

The year 2016-17 witnessed the present Central Government winning important elections in the states of Uttar Pradesh, Goa, Uttarakhand and Manipur. This is likely to further stabilise the political scenario in the country and enable the government to pass important bills rapidly.

The crucial initiatives undertaken by the Government like promoting cash-less economy through digitalisation, relaxing FDI norms, making business scenario more facilitative, fast-tracking projects, reducing red tapes, enhancing focus on infrastructure sector, and passing bill for implementation of Goods and Services Tax are all expected to improve the country's competitiveness.

In its Union Budget 2017-18, the Government continued its focus on development of the agriculture sector and rural India that accounts for a majority of the country's population. The infrastructure sector has also received a much required boost with highest ever allocation of ₹ 3,96,135 cr, which includes ₹ 1.31 lac cr for the railways.

Outlook

During the Economic Summit 2016 - Government, business, and civil society gathered for mastering the fourth industrial revolution, driving sustainable and equitable growth and improving the ease of doing business. This target may be achieved by fostering an inclusive India through digital transformation, entrepreneurship development, upskilling India, balancing India's energy and environment nexus, make in India and building blocks for infrastructure investment. *(Source: India Economic Summit 2016)*

The International Monetary Fund (IMF) mentioned that post demonetisation, India's growth is projected to rebound to 7.2% in fiscal year 2017-18 and further to 7.7% in 2018 -19. "In India, the temporary disruptions (primarily to private consumption) caused by cash shortages accompanying the currency exchange initiative are expected to gradually dissipate in 2017," Changyong Rhee, the Director of the Asia and Pacific Department of the International Monetary Fund (IMF) told that India remains the fastest growing emerging economy in Asia and the world.

INDUSTRY OVERVIEW

Automobile industry

Automobile Industry is amongst the key industries in India accounting for nearly 7.1% of its GDP. The country is one of the largest automobile manufacturers in the world and the second largest in two-wheeler manufacture.

The industry produced a total 25,316,044 vehicles including passenger vehicles, commercial vehicles, three-wheelers, two-wheelers and quadricycle in financial year 2016- 2017 as against 24,016,599 in financial year 2015-16, registering a growth of 5.41% over the same period last year. *(Source: SIAM)*

Domestic Sales

The sales of Passenger Vehicles grew by 9.23% in financial year 2016-17. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans grew by 3.85%, 29.91% and 2.37% respectively during financial year 2016-17.

The overall Commercial Vehicles segment registered a growth of 4.16% in financial year 2016-17 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) grew by 0.04% and Light Commercial Vehicles grew by 7.41% during financial year 2016-17.

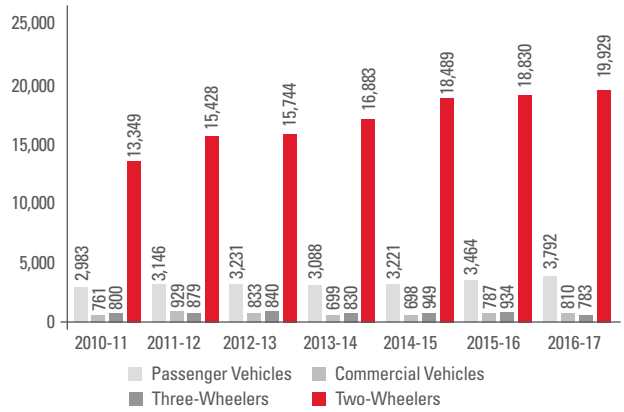
Two-Wheelers' sales registered a growth at 6.89% during Financial Year 2016-17 over Financial Year 2015-16. Within the Two-Wheelers segment, Scooters, Motorcycles and Mopeds grew by 11.39%, 3.68% and 23.02% respectively in April-March 2017 over April-March 2016. Further, India has emerged as the largest two-wheeler industry during Financial Year 2016-17 displacing China from its perch. The increasing women commuters have been one of the main reason for this displacement. Also as per Honda which leads the scooter market, revealed that 35% of their scooter market belongs to women.

However, the Three-Wheelers sales declined by (-) 4.93% in Financial Year 2016-17 over the same period last year. The Passenger Carrier sales declined by (-) 8.83%, whereas Goods Carrier sales grew by 12.75% in Financial Year 2016- 17 as compared to the last year. *(Source: SIAM)*

Exports

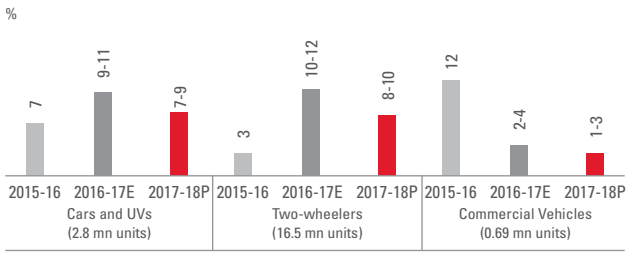
In April-March 2017, overall automobile exports declined by (-) 4.50%. While Passenger Vehicles and Commercial Vehicles exports registered a growth of 16.20% and 4.99% respectively, exports of Three-Wheelers and Two-Wheelers declined by (-) 32.77% and (-) 5.78% respectively in April-March 2017 over April-March 2016. *(Source: SIAM)*

Automobile Production Trends



(Source: SIAM)

Domestic Automobiles sales' volume growth



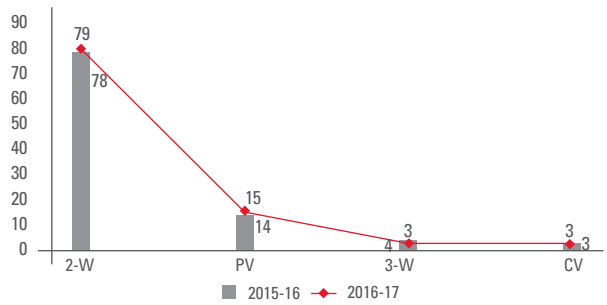
P=Projected

(*Source: SIAM, CRISIL Research)*

Domestic Sales Trends

Category	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Passenger Vehicles	26,29,839	26,65,015	25,03,509	26,01,236	27,89,208	**30,46,727**
Commercial Vehicles	8,09,499	7,93,211	6,32,851	6,14,948	6,85,704	**7,14,232**
Three-Wheelers	5,13,281	5,38,290	4,80,085	5,32,626	5,38,208	**5,11,658**
Two-Wheelers	1,34,09,150	1,37,97,185	1,48,06,778	1,59,75,561	1,64,55,851	**1,75,89,511**
Grand Total	**1,73,61,769**	**1,77,93,701**	**1,84,23,223**	**1,97,24,371**	**2,04,68,971**	**2,18,62,128**

Segment-wise domestic market share (%)



(Source: SIAM)

Key developments

One of the major developments in the auto industry has been the Supreme Court's judgement for banning sales

and registration of the BS-III compliant vehicles from April 1, 2017 onwards focused on upgrading to higher emission standards of BS-IV. This has resulted in an unsold inventory of 8.24 lac BS-III vehicles. *(Source: The Economic Times)*

In its Union Budget 2017-18, the government announced several favourable initiatives for the automobile industry which includes:

- Reduction in personal income tax at lower income level that is likely to boost personal consumption and benefit passenger vehicle segment.
- Allocation of ₹ 175 cr towards funding of the electric & hybrid vehicle programme, through FAME[1] scheme.
- Older vehicle fleets are known to be the highest polluters. End-of-life vehicle scrappage incentive should be considered to encourage modernisation of the vehicle fleet which shall be favourable for the environment.
- Governments, all over the world have invested in supporting the demand and building the recharging infrastructure for hybrid and battery electric vehicles (xEV).
- India has one of the highest levels of road fatality. The government should consider adoption of advanced safety technologies through regulatory intervention.

Incentives to promote innovation and R&D will strengthen the industry.

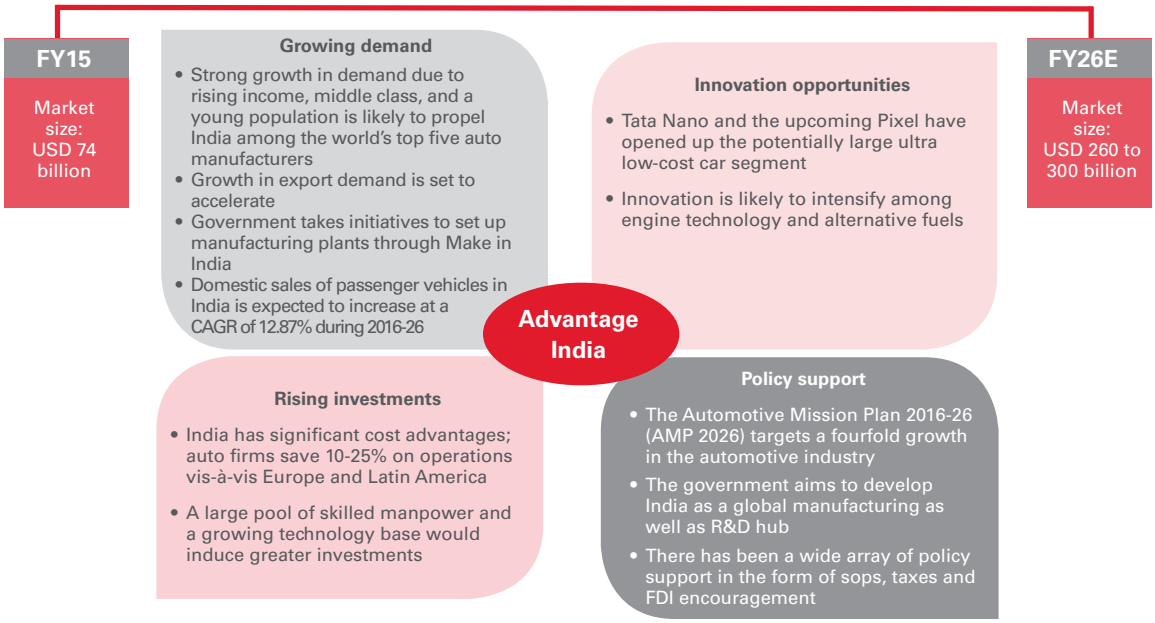
Support for automotive electronics like the one under the M-SIPS[2] should be further expanded to attract global companies to invest in India. *(Source: SIAM)*

FDI

The Indian government encourages foreign investment in the automobile sector and allows 100% FDI under the automatic route. It is a fully delicensed industry and free imports of automotive components are allowed. Moreover, the government has not laid down any minimum investment criteria for the automobile industry. It's a boost for Make in India as DIPP shall focus on FDI in selected sectors including Auto, Defence, Aerospace, etc. The total FDI equity inflows towards the automobile industry during Financial Year 2016-17 were USD 1,609 million. In the coming years, the industry is expected to attract significant investments with entry of new players along with capacity addition and technological investment from the existing players. *(Source: Department of Industrial Policy & Promotion, DIPP)*

Outlook

The Indian automobile industry is forecasted to grow strongly in the coming years with rising demand, facilitative policy and increasing investments. By 2020, the country is likely to emerge as a key automobile destination accounting for 8% share in global passenger vehicle market, up from 2.4% in 2015. During 2016 to 2020, its two-wheeler production is likely to grow at a CAGR of 15.97% to 34 million units and passenger vehicle at a CAGR of 30.96% to 10 million units. During 2016 to 2026, the sales of passenger vehicles is expected to grow at a CAGR of 12.87% to over 9.4 mn units, commercial vehicles at a CAGR of 11.07% to over 2 mn units, three-wheelers at a CAGR of 3.79% to over 0.5 mn units and two-wheelers at a CAGR of 11.9% to over 50.6 mn units. *(Source: Indian Brand Equity Foundation, IBEF)*



[1] Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles in India
[2] Modified Special Incentive Package Scheme

Auto Components industry

The Indian auto-components industry has experienced healthy growth over the last few years. Some of the factors attributable to this include: a buoyant end-user market, improved consumer sentiment and return of adequate liquidity in the financial system.

The auto-components industry accounts for almost 7.1% of India's Gross Domestic Product (GDP) and employs as many as 19 million people, both directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever increasing development in infrastructure have made India a favourable destination for investment. *(Source: Indian Brand Equity Foundation, IBEF)*

The auto components industry in India is ancillary to its automobile industry. Fluctuations in the auto industry have a direct impact on its demand. The industry primarily caters to the OEM (Original Equipment Manufacturer) segment that accounts for the organised sector and the replacement (aftermarket) segment that accounts for the unorganised sector. The industry is highly fragmented with nearly 10,000 unorganised and 700 organised players. the Organised sector account for nearly 85% of the industry turnover owing to the high cost of genuine components parts as opposed to the replacement parts that are relatively low in cost. *(Source: CARE Ratings)*

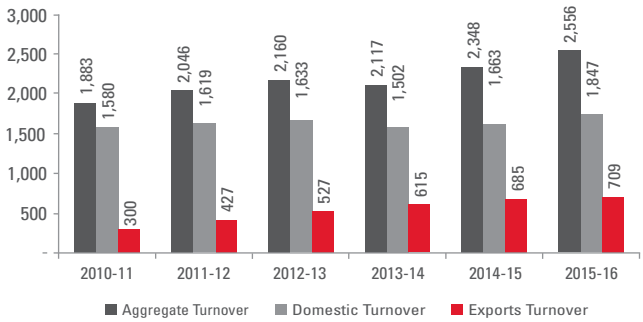
The Indian Auto Component industry is expected to grow by 8-10% in Financial Year 2017-18 as per ICRA Limited:

- based on higher localisation by Original Equipment Manufacturers (OEM),
- higher component content per vehicle,
- rising exports from India.

(Source: ICRA)

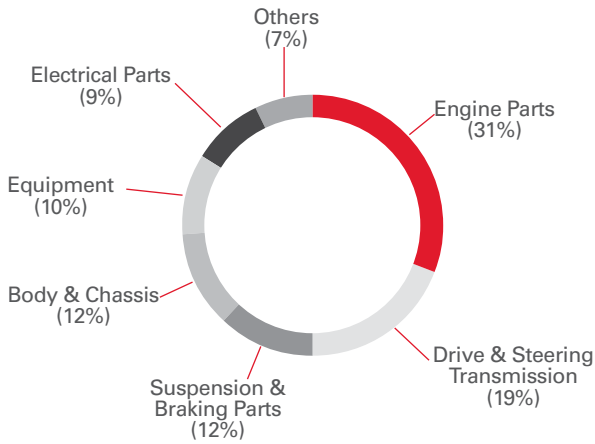
The USA, Germany, Turkey and the UK were the major exports market, while China, Germany, South Korea and Japan were the major import markets. The aftermarket segment was valued at ₹ 560.98 bn. The key developments in the industry has been the reduction in the penetration of counterfeit components - 36% in 2010-11 to 5% in 2016-17 and its transformation from a low-volume highly-fragmented industry to a competitive industry backed by technology, efficiency and evolving value chain. *(Source: ACMA)*

Auto Components Industry Turnover *(In ₹ Billion)*



(Source: ACMA)

Constituents of Auto Component Industry



(Source: ACMA, CARE Ratings)

Outlook

According to the Automotive Component Manufacturers Association of India (ACMA), the Indian auto-components industry is expected to register a turnover of USD 100 billion by 2020 backed by strong exports ranging between USD 80- USD 100 billion by 2026, which presently stands at USD 11.2 billion.

The rapidly globalising world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. 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 USD 40 billion by 2020. *(Source: ACMA)*

The Government of India's Automotive Mission Plan (AMP) 2016-26 envisages creation of an additional 50 million jobs along with an ambitious target of increasing the value of the output of the automobile sector to up to ₹ 1,889,000 crores (USD 282.65 billion).

OPPORTUNITIES & CHALLENGES

Opportunities

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

- **Rising income and affluent middle class population:** The per capita income in India is likely to increase by 10.4% from ₹ 92,923 in 2015-16 to ₹ 1,03,007 in 2016-17. Besides, with the strong macro-economic scenario in the country it is likely to witness a rising trend in the coming years. While on one hand the income levels have risen, on the other the proportion of affluent households in the country has also increased from 4% of the total population to 8% in 2015 and is likely to become 16% by 2025. The spending by these household that accounted for 17% of the consumer spending in 2005 has risen to 26% in 2015 and is likely to grow to 40% by 2025. *(Source: Business Standard and the Live Mint)*

- **Strong impetus on infrastructure:** India has a huge gap in its infrastructure that is the key factor for sustaining its economic momentum. As per Arun Jaitley, Honourable Finance Minister, India has a huge unmet demand in the infrastructure (primarily in power, roads and urban infrastructure) which requires investments amounting to USD 646 bn over the next five years. Driven by this, the government has enhanced its focus on the sector by initiating facilitative policies and increasing investments. Roads and highways shall remain key focus areas which in turn shall facilitate the growth of the automobile industry. *(Source: Business Standard)*

- **Relaxed FDI norms and easing business scenario:** With the relaxation in the FDI norms and improving business scenario, a lot of new international automobile players are expected to enter the Indian markets while the existing ones are likely to enhance their investments. This is expected to drive demand for automotive components.

- **Low interest rates and huge finance market:** The repo rates in the country have steadily declined and with the demonetisation leading to increased liquidity with the banks, the rates are likely to further reduce facilitating growth of car financing. As per a report by Ernst & Young, the auto finance market in India will have an addressable opportunity of over ₹ 2,600 bn by 2020 with financing for new passenger vehicle expected to grow 2.1 times from its 2015 levels to ₹1,636 bn in 2020. *(Source: Ernst and Young report)*

- **Low vehicle penetration:** India has one of the lowest vehicle penetrations in the world at 32 vehicles per 1,000 population compared to average of 192 globally. By 2020, the vehicle penetration in India is likely to increase to 48 vehicles driven by the fact that the country's population will be 1.4 bn and majority of them would belong to licensed driving age. *(Source: Ernst and Young report)*

Challenges

- **Regulatory norms:** With the rising pollution and congestion levels, the industry is likely to witness regulatory uncertainty and impulsive reaction from regulators in the future. There is a clear direction towards enhancing focus on fuel-efficient and alternate fuel vehicles along with phasing out of old vehicles. Banning of BS-III compliant vehicles by the Supreme Court was one such move in 2016-17. *(Source: The Pioneer)*

- **Lack of skilled manpower:** The auto industry in India has dearth of skilled manpower which in turn is affecting its productivity. A report by National Skill Development Corporation (NSDC) suggests that by 2022 the industry would require nearly 15 million skilled manpower.

- **Lack of R&D and technology:** Most of the players in the auto components sector in India are from unorganised sector lacking R&D capabilities and having outdated technologies. This results in poor quality of products from this segment. Moreover, a majority of players are dependent on foreign collaborations for gaining access to newer and advanced technologies.

REVIEW OF FINANCIAL PERFORMANCE

Product-wise performance

Product	Turnover (In ₹ Lacs)
Head Lamp	14,738.41
Tail Lamp	2,799.57
Plastic Moulded Items	8,359.78
Frame Chassis	6,882.62
Seat Frame	345.67
Adjustor Motor	472.31
PCB & Display	3,628.54
Others	13,599.11
Total	**50,826.01**

RISKS & CONCERNS

Macro-economy risk

Any slowdown in macro-economic scenario could adversely impact the Company performance.

Mitigation:

- The present macro-economy of India is positive with various agencies across the globe forecasting it to be the fastest growing major economy.
- Favourable policies, low interest rates and strong focus on infrastructure makes scenario favourable for automobile industry.
- The Company has a growing presence in the exports market.

Competition risk

Rising competition from domestic and international players may impact the Company's revenues.

Mitigation:

- The Company along with its subsidiaries and JV's has over three decades experience, pan-India presence, twelve manufacturing plants and wide product portfolio making it one of the leading players in the industry.
- It has strong relationships with leading automobile brands across the country owing to its product quality and timely supply.
- Its growing emphasis on R&D capabilities will enable it to focus on innovation and new product development.

Quality risk

Inability to manufacture quality products may impact reputation and lead to loss of customers.

Mitigation:

- The Company has state-of-the-art manufacturing facilities equipped with advanced machineries enabling it to manufacture products of high quality.
- It employs skilled workforce along with providing them regular training to further enhance their job skills.
- It also follows various quality and productivity enhancing initiatives which include Kaizen, Quality Circles, Total Productivity Maintenance, Total Quality Management, 6 sigma, 5-S and 7-W processes.

Raw material risk

Inability to source desired quantity of quality raw materials at competitive prices can hamper production.

Mitigation:

- The Company has long-term relationships with major suppliers which ensure timely and regular supply of key raw materials.
- Its internal procurement team adopts initiatives like bulk purchases to get better deals and regularly track raw material prices for timley purchases when prices are low.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control system is commensurate to the size and nature of business it operates in. It has well-defined and adequately documented policies, systems, operating procedures and process guidelines. Adherence to procedures, laws, rules and statutes is strictly practised. The Company ensures that transactions are recorded and reported as per the Accounting Standards. Internal Audit is periodically conducted by an Independent firm of Internal Auditors under the overview of Audit Committee. It ensures that all activities are regularly monitored and any concerns raised are effectively addressed. The Internal Audit team independently reviews and strengthens the control measures. The Company's robust MIS systems ensure that all expenses are within the budgetary allocations, while flagging off mismatches for corrective measures.

SIGNIFICANT DEVELOPMENT IN HUMAN RESOURCES

Human resources are the most critical element at Lumax Auto contributing to the organisation's growth over the years and charting its long-term business sustainability. The Company's human resource policies revolve around the areas of developing a professional, productive and dedicated workforce. The employees are time and again provided with various skill and personal development trainings to ensure a continuous growth in their competencies. The Company focuses on providing employees a conducive and safe work environment for enhancing employee morale and aligning individual goals with that of the organisation.

Engaging programmes, are being undertaken to ensure higher satisfaction levels. Further, the Company's Quality Control Circles (QCC), whereby nearly 35% of the blue collared employees are registered, provides a significant scope of enhancing job skills. The Company has also adopted several international shop floor improvement initiatives which include Kaizen, Quality Circles, Total Productivity Maintenance, Total Quality Management, 5-S, 6 sigma, 7-W processes focused on enhancing processes and productivity.

One of the key achievements of the Company during the year has been the success of its seven QCC teams in the national level Quality Circle Forum of India (QCFI) contest and their qualification in the international level contest to be held in Philippines. The Company undertakes regional safety meeting at regular defined periods, whereby ensuring that each of the plants are thoroughly conducting safety audits and monitoring the findings. In addition to this, the Company also provides KY training, which is a kind of danger prediction training whereby key areas of hazards in the workplace are identified and effective solutions developed.

In 2016-17, the Company ensured healthy relationship with the workforce. The Company's total employee strength as on March 31, 2017 stood at 723.

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.

LUMAX

ANNEXURE-B

CORPORATE GOVERNANCE REPORT

The Securities and Exchange Board of India (SEBI) regulates Corporate Governance Practices of Companies Listed on the Indian Stock Exchanges. The Corporate Governance framework has been referred to in Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These Regulations specifies the standards that Indian Companies have to Comply and the disclosures that they have to make with regards to Corporate Governance. Your Company has established systems and procedures to comply with the amended provisions of the Corporate Governance and is complying with the same in its letter and spirit.

1. COMPANY'S PHILOSOPHY

Lumax Auto Technologies Limited remains committed to high standards of Corporate Governance. The Company believes that Corporate Governance is based on the principle of integrity, fairness, equity, transparency, accountability and commitment to values. Good Governance Practices stems from the culture and mindset of the organization.

We believe that sound Corporate Governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We also endeavor to enhance long term shareholder value and respect minority rights in all our business decisions.

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, MEETINGS OF THE BOARD, PROCESS AND PROCEDURES AT THE MEETING:

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 Company's Board of Directors consisted of eight (8) Directors. Out of these eight (8) Directors, Two (2) Directors are Executive Director(s) including the Chairman, Two (2) Directors are Non- Executive Directors including one woman Director and Four (4) are Non-Executive Independent Director(s). The Managing Director is assisted by Senior Managerial Personnel in overseeing the functional matters of the Company. The Board of Directors have met six times during the year. The Company follows the following process and procedures for the Board Meetings.

A. 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.

B. BOARD AGENDA

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

C. 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.

D. 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.

E. 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.

F. COMPOSITION, CATEGORY AND ATTENDANCE OF DIRECTORS AT BOARD MEETINGS, LAST ANNUAL GENERAL MEETING (AGM) AND NUMBER OF OTHER DIRECTORSHIPS AND CHAIRMANSHIPS/MEMBERSHIPS OF COMMITTEES OF EACH DIRECTOR IN VARIOUS COMPANIES AS ON MARCH 31, 2017.

Sl. No	Name of the Directors	Category of Directorship	No. of Board Meetings attended	No. of Directorships in other Public Companies[1]	No. of Committee positions held in other Public Companies[2]		Last AGM attended	Relationship interse
					Chairman	Member		
1	Mr. D.K. Jain	Executive Chairman	6	8	-	1	Yes	Related as Husband to Mrs. Usha Jain, Father to Mr. Deepak Jain and Mr. Anmol Jain
2	Mr. Deepak Jain	Non-Executive Director	4	7	-	2	No	Related as Son to Mr. D.K Jain and Mrs. Usha Jain and as Brother to Mr. Anmol Jain
3	Mr. Anmol Jain	Managing Director	6	7	-	1	Yes	Related as Son to Mr. D.K Jain and Mrs. Usha Jain and as Brother to Mr. Deepak Jain
4	Mrs. Usha Jain	Director	4	1	-	-	No	Related as wife to Mr. D.K. Jain and Mother to Mr. Deepak Jain and Mr. Anmol Jain
5	Mr. Sandeep Dinodia	Non-Executive Independent Director	6	3	3	1	Yes	Not related to any Director.
6	Mr. D.D. Gupta	Non-Executive Independent Director	5	5	1	2	No	Not related to any Director.
7	Mr. Roop Salotra	Non-Executive Independent Director	6	2	-	-	No	Not related to any Director.

Sl. No	Name of the Directors	Category of Directorship	No. of Board Meetings attended	No. of Directorships in other Public Companies[1]	No. of Committee positions held in other Public Companies[2]		Last AGM attended	Relationship interse
8	Mr. Milap Jain	Non-Executive Independent Director	5	0	-	-	No	Not related to any Director.

1 Excludes Directorship in Foreign Companies and Companies Registered under Section 8 of the Companies Act, 2013

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.

DIRECTORS WHO RELINQUISH OFFICE DURING THE YEAR ENDED MARCH 31, 2017 - NIL

G. NUMBER OF BOARD MEETINGS HELD AND THE DATES ON WHICH HELD

The Board of Directors met six times during the Financial Year ended March 31, 2017. The intervening period between two Board Meetings was well within the maximum time gap of 120 days, as prescribed under Listing Regulations. The details of Board Meetings held during the year are as under:-

Sl. No.	Date of Board Meeting	Board's Strength	No of Directors Present
1	12-05-2016	8	8
2	27-07-2016	8	5
3	26-09-2016	8	7
4	09-11-2016	8	7
5	21-12-2016	8	7
6	06-02-2017	8	8

H. MEETING OF INDEPENDENT DIRECTOR

During the year, a separate meeting of the Independent Directors of the Company was held on March 21, 2017 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.
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.

I. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In accordance with Regulation 25 of the 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 it is a part. The Independent Directors are also provided with regular updates on relevant statutory changes to ensure that they remain up to date on the Compliance framework.

The details of such 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

Currently, the Board has Four Committees: the Audit Committee, the Nomination and Remuneration Committee, the Share Transfer/ Stakeholder

Relationship Committee and Corporate Social Responsibility Committee. The Company's process and procedure related to the Board Meetings are also applicable and followed in the Committee Meetings. The brief details of the various committees of the Board and their constitution and functions are as under:

A. AUDIT COMMITTEE

a) Composition and Attendance

The Audit Committee comprises of four non-executive Independent Directors and Managing Director. The Composition of the Audit Committee during the Financial Year April, 2016 to March, 2017 was as follows:

Sl. 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. D.D. Gupta	Member	Non-Executive Independent Director
4	Mr. Milap Jain	Member	Non-Executive Independent Director
5	Mr. Anmol Jain	Member	Managing Director

The Audit Committee had met Six times during the Financial Year April 1, 2016 to March 31, 2017. The attendances of the meetings are as under:

Sl. No.	Name	No. of Meetings attended
1	Mr. Sandeep Dinodia	6
2	Mr. Roop Salotra	6
3	Mr. D.D. Gupta	5
4	Mr. Milap Jain	5
5	Mr. Anmol Jain	4

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.

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 Listing Regulations and as specified by the Board of Directors of the Company.

b) Powers of Audit Committee

Audit Committee shall have following Powers:-

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

c) Role of Audit Committee

1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2) 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.

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 is mentioned in the terms of reference of the Audit Committee.

d) Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:-

1) Management discussion and analysis of financial conditions and results of operations;

2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

3) Management letters/ letters of internal control weakness issued by the Statutory Auditors;

4) Internal Audit Reports relating to internal control weakness; and

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

6) Statement of deviations; if any.

e) 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

The Nomination and Remuneration 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.

The Committee's Constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Nomination and Remuneration Committee comprises of four 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 power and role of the Nomination & Remuneration Committee is as per guidelines set out in the Listing Regulations. The constitution of the Nomination and Remuneration Committee Meeting is as under:

Sl. 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. D.D. Gupta	Member	Non-Executive Independent Director

The Nomination & Remuneration Committee had met once during the financial year April 1, 2016 to March 31, 2017 to consider and recommend to the Board:-

1. Payment of commission to Non–Executive Directors for Financial Year 2015–16
2. Payment of commission to Non-Executive Directors of the Company for a further period of five years w.e.f. 01.04.2016

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

Sl. No.	Name of Directors	No. of Meetings attended
1	Mr. Milap Jain	1
2	Mr. Sandeep Dinodia	1
3	Mr. Roop Salotra	1
4	Mr. D.D. Gupta	1

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 of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
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 of directors 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.

a) Remuneration Policy:

The Extract of the Policy of the company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Companies Act, 2013 adopted by the Board of Directors is given below:

1.1 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 (KMP) 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 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.

1.2 Objective

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

1.3 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

1.4 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

1.5 Nomination and Remuneration Committee

The Committee shall have at least 3 non-executive directors, out of which one-half shall be independent directors. If the chairperson of the company is appointed as a member of the Committee, he shall not chair such Committee.

The members of the Committee are:

Sl.No.	Name	Category
1	Mr. Milap Jain	Chairman
2	Mr. Sandeep Dinodia	Member
3	Mr. Roop Salotra	Member
4	Mr. D.D. Gupta	Member

1.6 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

1.7 Frequency of Meetings

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

1.8 Matter 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) Rules, 2014 and Regulation 17 of the Listing Regulations.

1.9 Matter 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 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.

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

Remuneration to Independent Director:

The Independent Director shall be paid sitting fees for attending meetings of Board or Committees thereof as may be decided by the Board from time to time. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee.

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 are uploaded on the website of the Company and the web link of the same is http://lumaxautotech.com/downloads/letter-of-appointment.pdf.

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 the Company's objectives. During the year, the evaluation of the Board as a whole, committees and all the Directors conducted as per the internally designed evaluation process approved by the Board. The Evaluation of Independent Director was carried out taking into account various parameters such as – exercises independent objective of judgement during board discussion, upholds ethical standards of integrity and probity, well informed about the company and the external environment in which it operates, maintains high level of confidentiality, assists the company in implementing best corporate governance practices etc.

c) The details of Remuneration paid to Whole Time Directors during the financial year ended March 31, 2017 are as follows:

(Amount in ₹)

Sl. No.	Name of the Directors	Salary	Perquisites & Allowances	Commission	Total
1	Mr. D.K. Jain	10,443,193.50	911,910.00	NIL	11,355,103.50
2	Mr. Anmol Jain	10,800,000.00	1,231,628.00	NIL	12,031,628.00

d) Details of Commission paid to Non-Executive Directors during the financial year ended March 31, 2017 are as under:

(Amount in ₹)

Name of Director	Commission
Mr. Deepak Jain	950,000

None of the Non-Executive Directors held shares in the Company except Mr. Deepak Jain who is holding 914652 (6.71%) equity shares and Mrs. Usha Jain who is holding 463712 (3.40%) of the Company.

The Company has no Stock Option Scheme and hence, no Stock Options are granted 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.

The Non-Executive Independent Directors have not drawn any remuneration from the Company, except sitting fees for attending meetings of the Board and Committees.

The Company did not have any pecuniary relationship or transactions with the Non-Executive Independent Directors during the year 2016-17.

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

C. SHARE TRANSFER/STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has 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. The Committee comprises of Executive Director, Non-Executive Director and Non-Executive Independent Directors. The composition of this Committee during the year April 2016 to March 2017 is as under:

Sl. 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. D.D. 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.

The total complaints received and replied to the shareholders during the year ended March 31, 2017 were 11. There were no complaints which were not solved to the satisfaction of the shareholders and pending during the year.

During the year 4 meetings of Committee were held. The following is the attendance record at the Committee during the year:

Sl. No.	Name of Directors	No. of Meetings attended
1	Mr. Deepak Jain	3
2	Mr. D. K. Jain	4
3	Mr. D.D. Gupta	3
4	Mr. Sandeep Dinodia	4

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been formed pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the company from time to time.

The Corporate Social Responsibility Committee comprises of Executive Chairman and Non-Executive Independent Directors. The Chairman of the Committee is Mr. Roop Salotra, Non-Executive Independent Director. The Composition of Corporate Social Responsibility Committee during the year April 2016 to March 2017 is as under:

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

E. POLICY ON SEXUAL HARASSMENT

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 for Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the related aspects. During the year, no such complaints were received by the Company.

4. 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.

5. GENERAL BODY MEETING

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

Financial Year	Date	Time	Location
2013 - 14	23-07-2014	3.00 P.M.	Spree Shivai Hotel, Celebrate Hall, 1st Floor, H-Block, A-70, MIDC, Pimpri, Pune-411018
2014 -15	21-08-2015	3.00 P.M.	Spree Shivai Hotel, Celebrate Hall, 1st Floor, H-Block, A-70, MIDC, Pimpri, Pune-411018
2015 -16	23-08-2016	3.00 P.M.	Citrus Hotels, , Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune – 411 018

Special Resolutions passed in previous three General Meetings (AGM)

I AGM held on July 23, 2014

a. Appointment of Mr. D.K. Jain as Executive Chairman of the Company.

b. Appointment of Mr. Anmol Jain as Managing Director of the Company

c. Borrowing Power of the Board of Directors under section 180(1)(c) and 180(1)(a) of the Companies Act, 2013.

II AGM held on August 21, 2015

a. Approval for related party transactions with Lumax Industries Limited pursuant to Clause 49 of the Listing Agreement.

III AGM held on August 23, 2016

a. Increase in the remuneration of Mr. D.K. Jain, Chairman of the Company.

b. Increase in the remuneration of Mr. Anmol Jain, Managing Director of the Company.

There were no ordinary or special resolution that needed to be passed through postal ballot process during the year 2016 -17.

6. CODE OF CONDUCT

The Company has adopted a Code of Conduct for all Board Members and Senior Employees of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct on annual basis. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company. The Code of Conduct has already been posted on the website of Company for general viewing.

7. OTHER DISCLOSURES

a. During 2016-17, other than the transactions entered in the normal course of business and reported as the related party transactions in the

annual accounts, the Company had not entered into 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.

b. The Audit Committee is briefed with all related party transactions undertaken by the Company.

c. The Senior Employees have made disclosures to the Board that they did not have personal interest in any material financial and commercial transactions that could result in a conflict with the interest of the Company at large.

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

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

f. The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India, and there has been no deviation in the accounting treatment during the year.

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

h. The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

8. MEANS OF COMMUNICATION

a) Financial Results

- The quarterly/yearly results of the Company are published in leading and widely circulated English dailies viz.. (1) The Financial Express – All Editions (English) (2) Loksatta - Pune- (Marathi Edition).
- The Company's financial/quarterly results are displayed on the Company's website at www.lumaxautotech.com.

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.

c) Official News Releases/ Conference Calls

All official news releases and transcript of the Analyst/ Investor conference call is posted on the website of the company under Investors Tab.

NSE Electronic Application System (NEAPS)

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

BSE Corporate Compliance & Listing Centre (the Listing Centre)

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

9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT FORMS PART OF THE DIRECTORS REPORT

10. GENERAL SHAREHOLDER'S INFORMATION

a)	**Annual General Meeting** :	The 36th Annual General Meeting is scheduled as under: Date : August 18, 2017 Time : 3.00 P.M. Venue : Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri , Pune – 411 018, Maharashtra.

b)	**Date of Book Closure**	:	August 11, 2017 to August 18, 2017 (Both days inclusive)
c)	**Registered Office**	:	Lumax Auto Technologies Limited Plot No.70, Sector 10, PCNTDA, Bhosari, Pune – 411026, Maharashtra
d)	**Financial Year**	:	1st April to 31st March

e) For the Financial Year 2016-17 results were announced on:

Adoption of Quarterly Results Ended	Date
June 30, 2016	July 27, 2016
September 30, 2016	November 09, 2016
December 31, 2016	February 06, 2017
March 31, 2017 (Audited Annual Accounts)	May 15, 2017

f) Financial Calendar for 2017-18 (Provisional).

Adoption of Quarterly Results Ended	Tentative calendar #
June 30, 2017*	4th week of August 2017
September 30, 2017	2nd week of November 2017
December 31, 2017	2nd week of February 2018
March 31, 2018 (Audited Annual Accounts)	4th week of May 2018

Within 45/60 days of the end of the Quarter, as per Listing Regulations.
*The tentative calendar for this Quarter is planned in terms of Circular no.CIR/CFD/FAC/62/2016 dated July 05, 2016 of SEBI

g) Dividend & Dividend Payment Date

A dividend of ₹ 4.70/- per share (47%) has been recommended by the Board of Directors for the Financial Year 2016-17 which is subject to the approval of the shareholders at the ensuing Annual General Meeting. For Demat shareholders and Physical shareholders who have opted for NECS/ ECS, Dividend Amount of ₹ 4.70/- per share will be credited directly to their respective bank accounts through NECS/ECS, wherever such facilities are available, soon after the declaration of dividend in the AGM. For others, Dividend Warrants will be posted by September 11, 2017 (tentative)

h) Unclaimed Dividends:

Unclaimed Dividend for the financial year 2009-2010 shall become transferable to the Investor Education & Protection Fund by Third week of September, 2017. The Company has been writing periodical reminders to all the shareholders as a part of sending Notice of the Annual General Meeting, whose Dividends are lying unpaid in the Unpaid Dividend Account. Members who have not encashed their Dividend for the financial year 2009-10 and onwards are therefore, requested to make their claims to the Company immediately.

Transfer of underlying share in to Investor Education and Protection Fund (IEPF) in cases where unclaimed dividends have been transferred to IEPF.

In terms of section 124 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Auditing transfer and refund) Rules 2016,the company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF account established by the Central Government. The Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF including all benefits accruing on such shares, if any can be claimed back from IEPF following the procedures prescribed in the Rules. No claim shall lie in respect of thereof with the Company.

i) 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 Pvt. Ltd. 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.

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

Address	:	Bigshare Services Pvt. Ltd. 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	:	investor@bigshareonline.com
Website	:	www.bigshareonline.com

k) Investors Correspondence

All queries of investors regarding the Company's shares in Physical / Demat form may be sent

either to the Registrar & Share Transfer Agent or to the Secretarial Department of the Company at the following address:

Address	:	Lumax Auto Technologies Limited Plot No.70, Sector-10,PCNTDA Bhosari, Pune, Maharashtra
Tel	:	91-20-66304606, 66304617
Fax	:	91-20-66304624
E-mail	:	shares@lumaxmail.com
Website	:	www.lumaxautotech.com

l) Listing on Stock Exchanges

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

m) ISIN No: INE872H01019

Listing Fee for the year 2017-18 has been paid to the BSE Limited and National Stock Exchange of India Limited.

n) 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.

0) Shareholding Pattern of the Company as on March 31, 2017

Sl. No.	Category		No. of Shares held	% age of Shareholding
A.		Promoters' holding		
1.		Promoters		
	i	Indian Promoters	7,584,886	55.64
	ii	Foreign Promoters	-	-
2.	Persons acting in concert		-	-
		SUB – TOTAL (A)	**7,584,886**	**55.64**
B.	Non-Promoters Holding			
3.	Institutional Investors			
	i	Mutual Funds	426,284	3.13
	ii	Banks, Financial Institutions, Insurance Companies, Central/State Govt. Institutions/ Non-Government Institutions.	6,861	0.05
	iii	Foreign Institutional Investors/Foreign Portfolio Investors.	2,216,454	16.26
		SUB – TOTAL (B3)	**2,649,599**	**19.44**
4.	Others:-			
	i	Bodies Corporate & Clearing Member	455,549	3.34
	Ii	Indian Public	2,728,617	20.02
	Iii	NRIs	210,390	1.54
	iv	Trusts	2,500	0.02
		SUB – TOTAL(B4)	**3,397,056**	**24.92**
		SUB – TOTAL(B) [B3 + B4]	**6,046,655**	**44.36**
		GRAND TOTAL (A+B)	**13,631,541**	**100.00**

p) Distribution of Shareholding as on March 31, 2017

Range of Shares		No. of Shareholders	% of Shareholders	Amount (₹)	% of Shareholding
1	5000	7671	90.34	7374810	5.41
5001	10000	351	4.13	2738320	2.01
10001	20000	212	2.50	3260020	2.39
20001	30000	83	0.98	2086000	1.53
30001	40000	37	0.44	1326830	0.97
40001	50000	34	0.40	1578620	1.16
50001	100000	40	0.47	2826860	2.07
100001	& above	63	0.74	115123950	84.46
Total		**8491**	**100.00**	**136315410**	**100**

q) 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).

r) Status of Dematerialization and Liquidity as on 31st March, 2017:

Dematerialization:

Category	No. of Shares
Shares in Demat mode with NSDL	12178803
Shares in Demat mode with CDSL	1378525
Shares in Physical mode	74213
Total	**13631541**

Liquidity

The Numbers of Shares of the Company traded in the Stock Exchange for the financial year 2016-2017 is given below:

Particulars	BSE	NSE	Total
No of shares Traded	1061349	5615050	6676399
% of total Equity	7.79	41.19	48.98

s) Stock Market Data during the Financial Year 2016-17

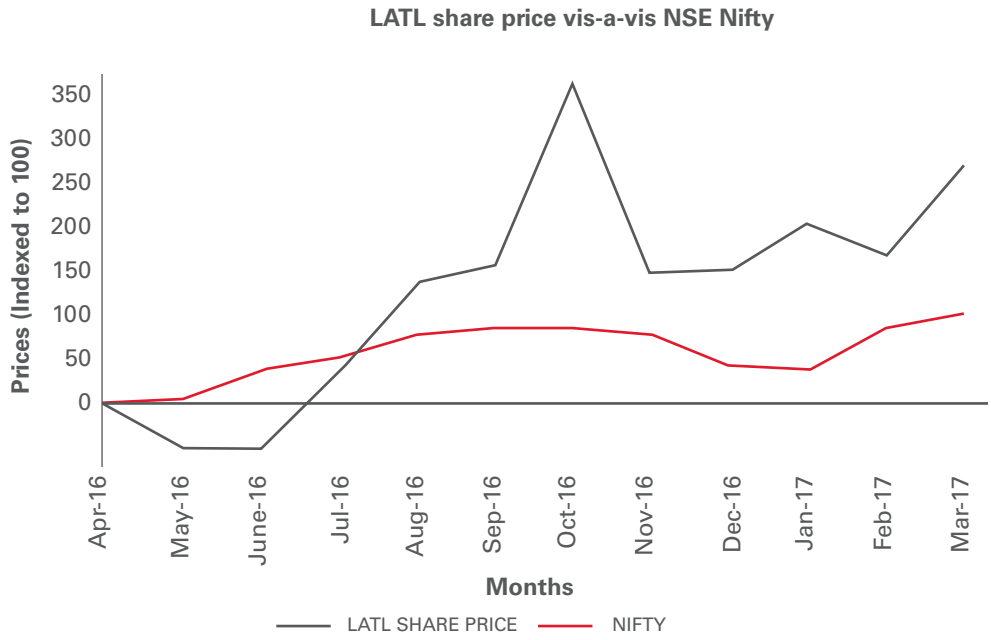
The monthly High and Low Prices of the Shares of the Company Listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) along with the BSE "Sensex" and NSE "Nifty" are as follows:

Month	BSE				NSE			
	Share Price		S & P Sensex		Share Price		S&P CNX Nifty	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
Apr-16	368.00	296.00	26100.54	24523.20	364.95	296.00	7992.00	7516.85
May-16	358.80	310.00	26837.20	25057.93	361.00	311.00	8213.60	7678.35
Jun-16	347.50	300.00	27105.41	25911.33	347.50	296.00	8308.15	7927.05
Jul-16	390.00	319.00	28240.20	27034.14	388.80	315.50	8674.70	8287.55
Aug-16	430.90	366.15	28532.25	27627.97	431.00	366.90	8819.20	8518.15
Sep-16	480.40	415.00	29077.28	27716.78	481.40	410.00	8968.70	8555.20
Oct-16	547.40	433.65	28477.65	27488.30	555.00	436.05	8806.95	8506.15
Nov-16	557.00	375.60	28029.80	25717.93	559.00	376.00	8669.60	7916.40
Dec-16	470.00	391.65	26803.76	25753.74	472.00	388.10	8274.95	7893.80
Jan-17	481.50	422.60	27980.39	26447.06	483.00	420.10	8672.70	8133.80
Feb-17	479.00	420.00	29065.31	27590.10	478.00	415.55	8982.15	8537.50
Mar-17	504.00	423.65	29824.62	28716.21	505.90	425.00	9218.40	8860.10

t) 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 2016 to March 2017 is given below

Month	BSE (₹)	Sensex	NSE (₹)	CNX Nifty
Apr-16	347.10	25606.62	349.15	7849.80
May-16	318.15	26667.96	322.50	8160.10
Jun-16	319.55	26999.72	321.35	8287.75
Jul-16	369.15	28051.86	369.25	8638.50
Aug-16	424.75	28452.17	423.20	8786.20
Sep-16	430.55	27865.96	434.40	8611.15
Oct-16	543.85	27930.21	546.45	8625.70
Nov-16	428.00	26652.81	428.85	8224.50
Dec-16	431.50	26626.46	431.70	8185.80
Jan-17	459.60	27655.96	459.50	8561.30
Feb-17	437.60	28743.32	440.80	8879.60
Mar-17	493.70	29620.50	495.45	9173.75

The performance of the Company's Share related to Nifty (April 2016 to March 2017 is given in the chart below:



u) Plant Locations of the Company as on March 31, 2017

The Company has following manufacturing units:

Sl. No.	Plant Locations
1.	Plot No. 70, Sector-10, PCNTDA, Bhosari, Pune, Maharashtra
2.	W-230-E, 'S' Block, M.I.D.C. Bhosari, Pune, Maharashtra
3.	Gat No. 156/1, Mahalunge, Chakan, Pune, Maharashtra
4.	K- 76, M.I.D.C., Waluj, Industrial Area Aurangabad, Maharashtra
5.	Khasra No 817/73, Mauza - Moginand, Nahan, Sirmour, Himachal Pradesh
6.	Plot No. 2, Industrial Estate, Udyog Vihar, Phase IV, Gurugram, Haryana(Marketing Division)
7.	Plot No. 91-b, Sector-5, IMT Manesar, Gurugram, Haryana
8.	Sy. No. 334, 366 & 367, Bellur Village, Narsapura Hobli, Kolar, Bangalore, Karnataka
9.	Plot No. 9,10, 23-25, Gut No. 53, Sahajapur, Aurangabad, Maharashtra

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:

S. No.	Description	No. of Shareholders	No. of Shares
1	Aggregate No. of shareholders and shares pending as on April 1, 2016.	3	722
2	No. of shareholders who approached for transfer of shares from Demat suspense account during the year	-	-
3	No. of shareholders and shares transferred from Demat suspense account during the year	-	-
4	No. of shareholders and shares outstanding at the end of year in March 31, 2017.	3	722

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

12. NON-MANDATORY REQUIREMENTS

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

13. CEO & CFO CERTIFICATE

The Managing Director, Mr. Anmol Jain and the Chief Financial Officer, Mr. Ashish Dubey have furnished the requisite certificate to the Board of Directors pursuant to Regulation 17(8) of the Listing Regulations.

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.

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, 2017 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 15, 2017

(Ashish Dubey)
Chief Financial Officer

(Anmol Jain)
Managing Director

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

I, Anmol Jain, Managing Director of the Company hereby certify that the Board of Directors and the Senior Management Personnel have affirmed compliance of the Code of Conduct of the Company for the Financial Year 2016 - 2017.

Place: New Delhi
Date: May 15, 2017

(Anmol Jain)
Managing Director

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

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

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, 2017. 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 directors has been met throughout the reporting period;

   iii. Obtained and read the Directors Register as on March 31, 2017 and verified that atleast one women director was on the Board during the year;

iv. Obtained and read the minutes of the following meetings held April 1, 2016 to March 31, 2017:

(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 Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

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, 2017, 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 15, 2017

ANNEXURE-C

Particulars of Contract/arrangement made with related parties

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis :

There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2017, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transaction at arm's length basis for the year ended March 31, 2017 are as follows:

Name(s) of the related party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Value of Transaction (₹ in Lacs)	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Lumax Industries Limited	Common Board Members	Purchase/ Sale of Goods	April 2016 - March 2017	Based on Transfer Pricing Guideline	9258.16	NA	NA

For and on behalf of the Board of Directors

D. K. JAIN
Chairman
DIN: 00085848

Place: New Delhi
Date: May 15, 2017

ANNEXURE-D

A. Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended

Name of Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median remuneration of employees
Mr. D.K. Jain	Chairman	40.01
Mr. Anmol Jain	Managing Director	38.72
Mr. Ashish Dubey	Chief Financial Officer	11.48
Ms. Swapnal Patane	Company Secretary	1.64

Notes:

1. The number of permanent employees as on 31st March, 2017 was **723**.
2. The percentage increase in the median remuneration of employees for the financial year was 16.68%.
3. The average percentage increase made in the salaries of employees excluding Key Managerial Personnel for the financial year was **15.13%.** The percentage increase in Remuneration of Key Managerial Personnel was **140%.**
4. The Percentage increase in remuneration of each director, chief financial officer, company secretary ranges between 0% to 140%. The remuneration components in case of directors includes commission which is linked with the profitability of the Company.
5. The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration Policy of the Company provided under the section 'Report on Corporate Governance', which forms part of the Report and Accounts.

ANNEXURE-E

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration 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 31.03.2017 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 31.03.2017 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 ShareTransfer 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 verifiction of Chakan plant of the Company, following laws are complied 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. However the following event has occurred during the period under review:

1. The Board has decided to close its manufacturing unit at A-8, MIDC, Waluj Industrial Area, Aurangabad, Maharashtra due to low customer demand and financial constraints.
2. Sale of Kala Amb unit of the company to its related party company Lumax Ancillary Limited by way of Slump Sale at a price consideration of ₹ 11 Lacs Only.

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

Place: Pune
Date: 13.05.2017

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 meeting of the Board and Committee thereof;

16. Minutes of meeting of the Boards and Committees thereof including passing of resolutions by circulations;

17. Notice convening Annual General Meeting held on 23rd of August, 2016 and holding of the meeting on that date.

18. Minutes of General Meeting;

19. Approval of members, Board of Directors, Committee of Directors and government authorities wherever required.

20. Form of balance sheet as at March, 31 2016 as prescribed under the Companies Act 2013

21. Report of the Board of Directors for the financial year ended March 31, 2016

22. Borrowings and registrations of Charges.

ANNEXURE-F

CSR REPORT OF LUMAX AUTO TECHNOLOGIES LIMITED

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.This will include education, skill building for livelihood of people, health, and social welfare etc., particularly targeting at disadvantaged sections of society. CSR activities at Lumax are carried out through Lumax Charitable Foundation.

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.

S. No	Name	Category
1	Mr. Roop Salotra	Chairman
2	Mr. D.D. Gupta	Member
3	Mr. D K Jain	Member

3. Average net profit of the Company for last three financial years : ₹ 2340 Lacs

4 Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) : ₹ 46.80 Lacs

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year : ₹ 38.70 Lacs

(b) Amount unspent, if any : ₹ 8.10 Lacs

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

(₹in Lacs)

Sl. 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 Sponsorship/ Infrastructure support to School	a) Education b) Health c) Overheads	Manufacturing sites of the Company 1. Manesar, Haryana 2. Delhi 3. Bangalore, Karnataka	17.83 12.04 5.08	17.83 12.04 5.08	34.95	Spent thorough the CSR arm of the Company namely Lumax Charitable Foundation
2	Healthcare Support to Hospital for under-privileged						
	TOTAL			34.95	34.95	34.95	

*The Company has also spent ₹ 2.08 Lacs on education of employees' children/one time expenditure, which as per the Company is CSR. However, these expenses are not classifiable as CSR expenditure in terms of Companies Act, 2013 and Rules made thereunder and therefore the same are not included in the above details of CSR expenditure. Further, out of the total funds of ₹ 38.70 Lacs contributed by the Company, an amount of ₹ 1.67 Lacs remained unspent with Lumax Charitable Foundation.

6. Reasons for not spending the 2% of the average net profit of the last three financial years.

The Company endeavored to meet the budgeted expenditure in its CSR activities and was committed to incur expenditure for CSR initiatives, however, discontinuance of support to one school has resulted into a shortfall in the CSR expenditure as compared to the stipulated 2% of the average net profits of the last three financial years.

7. 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

ANNEXURE-G

Form No. MGT -9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

(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	30-10-1981
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 Ph : + 91 20 6630 4617
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building (Opp. Vasant Oasis Apartments) Makwana Road, Marol, Andheri East, Mumbai - 400059 E-mail Id: investor@bigshareonline.com

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:-

Sl. No.	Name and Description of Main Products & Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Automotive Lamps	2740	34.61%
2	Plastic Moulded Parts	22207	16.45%
3	Frame Chassis	29103	13.54%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1	Lumax DK Auto Industries Limited B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U34300DL1997PLC087110	Subsidiary	100 %	2(87)
2	Lumax Integrated Ventures Pvt. Ltd. B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U74899DL1991PTC044328	Subsidiary	100 %	2(87)
3	Lumax Management Services Pvt. Ltd. B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U74140DL2015PTC275088	Subsidiary	100 %	2(87)
4	Lumax Mannoh Allied Technologies Limited B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U35912DL2013PLC255694	Subsidiary	55 %	2(87)
5	Lumax Energy Solutions Pvt. Ltd. B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U31401DL2003PTC122446	Subsidiary	100%	2(87)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
6	Lumax Sipal Engineering Pvt. Ltd. B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U74900DL2016PTC290469	Subsidiary	51%	2(87)
7	Velomax Mobility Pvt. Ltd. B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U74999DL2016PTC305208	Subsidiary	100%	2(87)
8	Lumax Cornaglia Auto Technologies Pvt. Ltd. B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U31908DL2007PTC164757	Joint Venture	50%	2(6)
9	Lumax Gill-Austem Auto Technologies Pvt. Ltd. B-86 Mayapuri Industrial Area, Phase-I, New Delhi- 110064	U35999DL2013PTC261221	Joint Venture	50%	2(6)

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 1, 2016)				Number of Shares held at the end of the year (As on March 31, 2017)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(A)	**Promoters**									
1	**Indian**									
(a)	Individuals/ Hindu Undivided Family	5162622	0	5162622	37.87	5162622	0	5162622	37.87	Nil
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	Nil
(c)	Bodies Corporate	2425913	0	2425913	17.80	2422264	0	2422264	17.77	(0.03)*
(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)	**7588535**	**0**	**7588535**	**55.67**	**7584886**	**0**	**7584886**	**55.64**	**(0.03)***
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)	**7588535**	**0**	**7588535**	**55.67**	**7584886**	**0**	**7584886**	**55.64**	**(0.03)***
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds	538638	0	538638	3.95	426284	0	426284	3.13	(0.82)
(b)	Financial Institutions / Banks	3551	0	3551	0.02	6861	0	6861	0.05	0.03
(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/ Foreign Portfolio Investor	1891945	0	1891945	13.88	2216454	0	2216454	16.26	2.38
(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
	Sub-Total (B)(1)	**2434134**	**0**	**2434134**	**17.85**	**2649599**		**2649599**	**19.44**	**1.59**
2	**Non-institutions**									

Category of Shareholders		Number of Shares held at the beginning of the year (As on April 1, 2016)				Number of Shares held at the end of the year (As on March 31, 2017)				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(a)	Bodies Corporate	634880	0	634880	4.66	423078		423078	3.10	(3.52)
(b)	Individuals									
(i)	Individuals -i. Individual shareholders holding nominal share capital up to ₹ 1 lakh	1738757	4	1738761	12.76	1744716	3	1744719	12.80	0.04
(ii)	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	830405	0	830405	6.09	983898	0	983898	7.22	1.13
(d)	Any Other (specify)									
	Clearing Member	83478	0	83478	0.61	32471	0	32471	0.24	(0.37)
	NRI	195136	74210	269346	1.98	136180	74210	210390	1.54	(0.44)
	Trusts	300	0	300	0	2500	0	2500	0.02	0.02
	Overseas Bodies Corporate	51652	0	51652	0.38	0	0	0	0	(0.38)
	Sub-Total (B)(2)	3534658	74214	3608872	26.48	3322843	74213	3397056	24.92	(1.56)
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**5968792**	**74214**	**6043006**	**44.33**	**5972442**	**74213**	**6046655**	**44.35**	**0.02**
	TOTAL (A)+(B)	**13557327**	**74214**	**13631541**	**100**	**13557328**	**74213**	**13631541**	**100.0**	**0**
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)	**13557327**	**74214**	**13631541**	**100**	**13557328**	**74213**	**13631541**	**100.0**	**0**

Note * Changes in shareholding of Indian Promoters is due to the reclassification of M/s Vardhaman Agencies Private Limited from promoter category to public category

ii. Shareholding of Promoters

Sl. No	Name of the Shareholder	Shareholding at the beginning of the year (As on April 1, 2016)			Shareholding at the end of the year (As on March 31, 2017)			% of change in Share-holding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/ Encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged/ Encumbered to total shares	
1	Lumax Finance Private Limited	2422264	17.77	0	2422264	17.77	0	0.00
2	Mr. Dhanesh Kumar Jain	1655257	12.14	0	1655257	12.14	0	0.00
3	Mr. Dhanesh Kumar Jain (HUF)	1180971	8.66	0	1180971	8.66	0	0.00
4	Mr. Deepak Jain	914652	6.71	0	914652	6.71	0	0.00
5	Mr. Anmol Jain	862240	6.33	0	862240	6.33	0	0.00
6	Mrs. Usha Jain	463712	3.40	0	463712	3.40	0	0.00
7	Mrs. Shivani Jain	45000	0.33	0	45000	0.33	0	0.00
8	Mr. Dhanesh Kumar Jain (Family Trust)	40790	0.30	0	40790	0.30	0	0.00
9	Vardhaman Agencies Private Limited*	3649	0.03	0	0	0.00	0	(0.03)
	TOTAL	**7588535**	**55.67**	**0**	**7584886**	**55.64**	**0.00**	**(0.03)***

*Pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company has received the approval of the National Stock Exchange of India Limited and BSE Limited for reclassification of M/s Vardhman Agencies Private Limited from "Promoter category" to "Public category".

iii. Change in Promoters Shareholding: During the year, erstwhile promoter category shareholder M/s Vardhaman Agencies Private Limited have been re-classified from "Promoter Category" to "Public Category" vide approval of National Stock Exchange of India Limited and BSE Limited dated October 13, 2016 & November 09, 2016 respectively.

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the F.Y. 2016-17	
		No. of shares	% of total share capital of the Company	No. of Shares	% of total share capital of the Company
1	**Asia Investment Corporation (Mauritius Ltd.)**				
	At the beginning of the year	650000	4.77		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			650000	4.77
2	**Albula Investment Fund Ltd.**				
	At the beginning of the year	1231627	9.04		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			1231627	9.04
3	**SBI RESURGENT INDIA OPPORTUNITIES SCHEME (Earlier known as SBI MAGNUM MULTIPLIER FUND)**				
	At the beginning of the year	418292	3.07		
	Increase/Decrease in Shareholding during the year				
	23-12-2016	7992	0.06	426284	3.13
	At the end of the year			426284	3.13
4	**PRIYANKA FINANCE PRIVATE LIMITED #**				
	At the beginning of the year	239964	1.76		
	Increase/Decrease in Shareholding during the year				
	22-04-2016	25000	0.18	264964	1.94
	29-04-2016	-16000	-0.11	248964	1.83
	06-05-2016	-3000	-0.03	245964	1.80
	13-05-2016	-35000	-0.25	210964	1.55
	03-06-2016	31274	0.23	242238	1.78
	24-06-2016	-6274	-0.05	235964	1.73
	30-06-2016	-2000	-0.01	233964	1.72
	08-07-2016	-29500	-0.22	204464	1.50
	29-07-2016	-10500	-0.08	193964	1.42
	05-08-2016	-21700	-0.16	172264	1.26
	09-09-2016	-10000	-0.07	162264	1.19
	16-09-2016	-22264	-0.16	140000	1.03
	23-09-2016	-70000	-0.52	70000	0.51
	30-09-2016	-13000	-0.09	57000	0.42
	07-10-2016	-27000	-0.20	30000	0.22
	14-10-2016	-8099	-0.06	21901	0.16
	21-10-2016	-21901	-0.16	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	0	0		
	Increase/Decrease in Shareholding during the year				
	15-04-2016	1813	0.01	1813	0.01
	29-04-2016	14632	0.11	16445	0.12
	06-05-2016	19635	0.14	36080	0.26
	13-05-2016	25246	0.19	61326	0.45
	20-05-2016	13872	0.10	75198	0.55
	27-05-2016	25752	0.19	100950	0.74
	03-06-2016	6939	0.05	107889	0.79
	10-06-2016	19669	0.15	127558	0.94
	17-06-2016	20313	0.14	147871	1.08
	24-06-2016	2463	0.02	150334	1.10
	30-06-2016	14985	0.11	165319	1.21

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the F.Y. 2016-17	
		No. of shares	% of total share capital of the Company	No. of Shares	% of total share capital of the Company
	01-07-2016	1135	0.01	166454	1.22
	08-07-2016	34425	0.25	200879	1.47
	15-07-2016	4375	0.04	205254	1.51
	22-07-2016	5612	0.04	210866	1.55
	29-07-2016	1019	0.00	211885	1.55
	05-08-2016	1793	0.02	213678	1.57
	12-08-2016	8286	0.06	221964	1.63
	03-03-2017	221964	1.63	221964	1.63
	At the end of the year			221964	1.63
6	**L&T MUTUAL FUND TRUSTEE LIMITED-L&T EMERGING BUSINESSES FUND #**				
	At the beginning of the year	120346	0.88		
	Increase/Decrease in Shareholding during the year				
	06-05-2016	-32117	-0.24	88229	0.65
	13-05-2016	-45000	-0.33	43229	0.32
	20-05-2016	-43229	-0.32	0	0.00
	At the end of the year			0	0.00
7	**FIDELITY ASIAN VALUES PLC ***				
	At the beginning of the year	0	0		
	Increase/Decrease in Shareholding during the year				
	15-04-2016	1244	0.01	1244	0.01
	06-05-2016	4008	0.03	5252	0.04
	13-05-2016	29259	0.21	34511	0.25
	20-05-2016	16258	0.12	50769	0.37
	27-05-2016	33552	0.25	84321	0.62
	03-06-2016	3877	0.03	88198	0.65
	15-07-2016	5672	0.04	93870	0.69
	22-07-2016	3669	0.03	97539	0.72
	29-07-2016	1031	0.01	98570	0.72
	05-08-2016	14223	0.10	112793	0.83
	At the end of the year			112793	0.83
8	**AJAYA JAIN**				
	At the beginning of the year	100000	0.73		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			100000	0.73
9	**WILLIAM VAN BUREN**				
	At the beginning of the year	74210	0.54		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			74210	0.54
10	**SHIVANI TEJAS TRIVEDI ***				
	At the beginning of the year	0	0		
	Increase/Decrease in Shareholding during the year				
	22-04-2016	25000	0.18	25000	0.18
	29-04-2016	25000	0.18	50000	0.36
	02-09-2016	7989	0.06	57989	0.42
	09-09-2016	19568	0.14	77557	0.56
	At the end of the year			77557	0.56
11	**BP EQUITIES PRIVATE LIMITED #**				
	At the beginning of the year	71495	0.52		
	Increase/Decrease in Shareholding during the year				
	08-04-2016	2677	0.02	74172	0.54
	15-04-2016	-9500	-0.07	64672	0.47

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the F.Y. 2016-17	
		No. of shares	% of total share capital of the Company	No. of Shares	% of total share capital of the Company
	22-04-2016	-500	0.00	64172	0.47
	29-04-2016	3000	0.02	67172	0.49
	13-05-2016	3964	0.03	71136	0.52
	20-05-2016	36	0.00	71172	0.52
	27-05-2016	828	0.01	72000	0.53
	24-06-2016	-2000	-0.01	70000	0.51
	30-06-2016	1050	0.01	71050	0.52
	01-07-2016	-50	0.00	71000	0.52
	08-07-2016	-1000	-0.01	70000	0.51
	15-07-2016	-2000	-0.01	68000	0.50
	22-07-2016	-300	0.00	67700	0.50
	29-07-2016	-6659	-0.05	61041	0.45
	05-08-2016	-25991	-0.19	35050	0.26
	12-08-2016	-950	-0.01	34100	0.25
	19-08-2016	-5090	-0.04	29010	0.21
	23-08-2016	-8800	-0.06	20210	0.15
	26-08-2016	-3200	-0.02	17010	0.12
	02-09-2016	-14000	-0.10	3010	0.02
	09-09-2016	1000	0.01	4010	0.03
	16-09-2016	-710	-0.01	3300	0.02
	23-09-2016	-2000	-0.01	1300	0.01
	30-09-2016	-1000	-0.01	300	0.00
	21-10-2016	500	0.00	800	0.01
	04-11-2016	100	0.00	900	0.01
	18-11-2016	-500	0.00	400	0.00
	16-12-2016	-100	0.00	300	0.00
	23-12-2016	-300	0.00	0	0.00
	20-01-2017	530	0.00	530	0.00
	03-02-2017	-10	0.00	520	0.00
	24-02-2017	300	0.00	820	0.01
	28-02-2017	-500	0.00	320	0.00
	03-03-2017	500	0.00	820	0.01
	24-03-2017	-320	0.00	500	0.00
	31-03-2017	-500	0.00	0	0.00
	At the end of the year			0	0.00
12	**SEEMA JAIN ***				
	At the beginning of the year	0	0.00		
	Increase/Decrease in Shareholding during the year				
	29-04-2016	900	0.01	900	0.01
	06-05-2016	25624	0.18	26524	0.19
	13-05-2016	2437	0.02	28961	0.21
	20-05-2016	23045	0.17	52006	0.38
	At the end of the year			52006	0.38
13	**AMIT GOYAL ***				
	At the beginning of the year	50000	0.37		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			50000	0.37

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the F.Y. 2016-17	
		No. of shares	% of total share capital of the Company	No. of Shares	% of total share capital of the Company
14	JAPAN TRUSTEE SERVICES BANK, LTD. STB STATE BANK OF INDIA-INDIA EQUITY MOTHER FUND #				
	At the beginning of the year	51652	0.38		
	Increase/Decrease in Shareholding during the year				
	05-08-2016	-20435	-0.15	31217	0.23
	12-08-2016	-15550	-0.11	15667	0.11
	09-09-2016	-15667	-0.11	0	0.00
	At the end of the year			0	0.00
15	AJAYA JAIN #				
	At the beginning of the year	72000	0.52		
	Increase/Decrease in Shareholding during the year				
	13-05-2016	-25000	-0.18	47000	0.34
	03-06-2016	-5710	-0.04	41290	0.30
	10-06-2016	-9728	-0.07	31562	0.23
	17-06-2016	-1562	-0.01	30000	0.22
	15-07-2016	-3925	-0.03	26075	0.19
	22-07-2016	-1075	-0.01	25000	0.18
	29-07-2016	-5000	-0.03	20000	0.15
	28-02-2017	-20000	-0.15	0	0.00
	03-03-2017	20000	0.15	20000	0.15
	24-03-2017	-5283	-0.04	14717	0.11
	31-03-2017	-5717	-0.04	9000	0.07
	At the end of the year			9000	0.07

* Not in the list of top 10 shareholders as on April 01, 2016. The same have been reflected above since the shareholder was one of the Top shareholders as on March 31, 2017.

Ceased to be in the list of top 10 shareholders as on March 31, 2017. The same is reflected above since the shareholder was one of the top 10 shareholder as on April 01, 2016.

v. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Director & KMP	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the F.Y. 2016-17	
		No. of shares	% of total share capital of the Company	No. of Shares	% of total share Capital of the Company
A	DIRECTORS				
1	Mr. D.K. Jain				
	At the beginning of the year	1655257	12.14		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			1655257	12.14
2	Mr. Anmol Jain				
	At the beginning of the year	862240	6.33		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			862240	6.33
3	Mr. Deepak Jain				
	At the beginning of the year	914652	6.71		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			914652	6.71
4	Mrs. Usha Jain				
	At the beginning of the year	463712	3.40		
	Increase/Decrease in Shareholding during the year	0	0		
	At the end of the year			463712	3.40

Sl. No.	Name of the Director & KMP	Shareholding at the beginning of the year (April 01, 2016)		Cumulative Shareholding during the F.Y. 2016-17	
		No. of shares	% of total share capital of the Company	No. of Shares	% of total share Capital of the Company
B	**KEY MANAGERIAL PERSONNEL**				
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: Independent directors' Mr. Sandeep Dinodia, Mr. Milap Jain, Mr. Roop Salotra, Mr. Dhiraj Dhar Gupta and Ms. Swapnal Patane Company Secretary did not hold any shares of the Company during the Financial Year 2016 -17.

V. INDEBTEDNESS

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

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2632.05	30.25	-	2662.30
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**2632.05**	**30.25**	**-**	**2662.30**
Change in Indebtedness during the financial year				
Addition	7681.06	-	-	7681.06
Reduction	(6937.12)	(9.40)	-	(6946.52)
Net Change	**743.94**	**(9.40)**	**-**	**734.54**
Indebtedness at the end of the financial year				
i. Principal Amount	3375.99	20.85	-	3396.84
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**3375.99**	**20.85**		**3396.84**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lacs)

Sl. No	Particulars of Remuneration	Name of Managing Director/ Whole Time Director/ Manager		
		Mr. D.K. Jain	Mr. Anmol Jain	Total
1.	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	104.43	108.00	212.43
	Value of perquisites u/s 17(2) Income-tax Act, 1961	24.41	16.70	41.11
	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	**128.84**	**124.70**	**253.54**
	Ceiling as per the 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

(₹in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. Deepak Jain	Mrs. Usha Jain	Mr. Sandeep Dinodia	Mr. Milap Jain	Mr. Roop Salotra	Mr. Dhiraj Dhar Gupta	
1	Independent Directors							
	Fee for attending board / committee meetings	-	-	2.80	2.40	3.20	2.80	11.20
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	**-**	**-**	**2.80**	**2.40**	**3.20**	**2.80**	**11.20**
2	Other Non-Executive Directors							
	Fee for attending board / committee meetings	-	-	-	-	-	-	
	Commission	9.50	-	-	-	-	-	9.50
	Others, please specify	-	-	-	-	-	-	
	Total (2)	**9.50**	**-**	**-**	**-**	**-**	**-**	**9.50**
	Total (1+2)	**9.50**	**-**	**2.80**	**2.40**	**3.20**	**2.80**	**20.70**
	Total Managerial Remuneration *	**-**	**-**	**-**	**-**	**-**	**-**	**274.24**
	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)						

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

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

(₹in Lacs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total
		Chief Financial Officer (Mr. Ashish Dubey)	Company Secretary (Ms. Swapnal Patane)	
1.	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35.27	5.30	40.57
	Value of perquisites u/s 17(2) Income-tax Act, 1961	1.71	-	1.71
	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	**36.98**	**5.30**	**42.28**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE-H

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of Directors' Report for the year ended March 31, 2017

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 reducing energy cost.

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

a. 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% to 30%. The purchase of energy from Indian Energy Exchange (IEX) by open Access Trading has further resulted in additional saving per unit.

b. Low Capacity Pump in Cooling Tower

The Company has started using Lower Capacity pump in cooling tower in its PCNTDA, Pune plant which resulted into saving of about 6% of its Energy Consumption. This plant further started use of Individual main switch for each Welding Machine to operate which resulted in saving of about 2% of Energy Consumption. The usage of auto cut-off for Water Pump in cooling system additionally saved 1% of Energy Consumption.

c. Installation of LED's and Other Measures

The Company installed LED's by replacing CFL in Shop floors in its K-76, Sahajapur and PCNTDA plant and further fitted transparent sheets at Roof Top for inflow of sunlight, thereby saving 10% of Energy Consumption.

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

The Company has initiated installation of solar power system with capacity of 250 -300 KVA in its plants located at PCNTDA, Pune; Sahajapur, Aurangabad, K-76, Aurangabad & Bangalore which will support in energy conservation thereby reducing overall cost of energy. Further, the proposal for installation of solar street lights is also under consideration in various 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

		(Amount in Million)
(i)	Capital	Nil
(ii)	Recurring	3.43
	Total	**3.43**
(iii)	**Total R&D Expenditure as a percentage of Total Turnover**	**0.06**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year is ₹ 157.82 millions and the Foreign Exchange outgo during the year in terms of actual outflows is ₹ 85.30 millions.

INDEPENDENT AUDITOR'S REPORT

To the Members of
Lumax Auto Technologies Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Lumax Auto Technologies Limited ("the Company"), which comprises of the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. 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 judgements 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 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 misstatements.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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, 2017, its profit, and its cash flows 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, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;

(e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2017, 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 its financial statements – Refer Note 31 to the 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 to the Investors' Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in note 45 to these financial statements as to the holding of Specified Bank Notes (SBN's) on November 8, 2016 and December 30, 2016 as well as dealings in SBN's during the period from November 8, 2016 to December 30, 2016. Based on our enquiries, test check of the books of accounts and other details maintained by the Company and relying on the management representation regarding the holding and nature of cash transactions, including SBN's, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

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 15, 2017

LUMAX

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 regards 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 year having gross value of ₹ 85,180,476.

(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 accounts 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 customs, 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, except as shown in the table below :

Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Due Date	Date of Payment
Local Body Tax (State of Maharashtra)	Local Body Tax	3,715,716	April 2016 to September 2016	Various	Not paid till year end

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

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	118,000	Assessment year 2010-11	Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax	384,670	Assessment year 2012-13	Commissioner of Income tax (Appeals)
Maharashtra Value Added Tax, 2002	Value Added Tax	680,000	Financial Year 2009-10	Joint Commissioner of Sales Tax (Appeals), Pune

(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 borrowings to a financial institution, bank or government dues. There are no dues outstanding against debentures.

(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 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 15, 2017

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, 2017 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 evidences we have obtained are 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 controls 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 controls 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 controls 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, 2017, based on the internal controls 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 15, 2017

LUMAX

BALANCE SHEET

as at March 31, 2017

Amount in ₹

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
EQUITY & LIABILITIES			
Shareholders' funds			
Share capital	3	**136,315,410**	136,315,410
Reserves and surplus	4	**1,283,196,796**	1,232,213,487
		1,419,512,206	**1,368,528,897**
Non-Current Liabilities			
Long term borrowings	5	**7,456,793**	133,701,311
Deferred tax liabilities (net)	6	**82,675,851**	87,293,811
		90,132,644	**220,995,122**
Current Liabilities			
Short term borrowings	7	**231,298,552**	64,434,484
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	8	**15,912,251**	72,799,570
- Total outstanding dues of creditors other than micro small enterprises	8	**932,165,968**	998,549,802
Other current liabilities	8	**292,093,397**	311,960,992
Short term provisions	9	**31,692,101**	17,550,863
		1,503,162,269	**1,465,295,711**
TOTAL		**3,012,807,119**	**3,054,819,730**
ASSETS			
Non-Current Assets			
Fixed assets			
Property, Plant and Equipments	10(a)	**1,211,476,224**	1,151,695,452
Intangible assets	10(b)	**8,905,952**	11,249,694
Capital work-in-progress		**59,311,246**	29,863,922
Non-current investments	11	**353,816,604**	285,801,766
Loans and advances	12	**45,937,739**	140,040,618
Other non-current assets	13	**50,000**	1,706,003
		1,679,497,765	**1,620,357,455**
Current Assets			
Inventories	14	**264,276,659**	310,378,335
Trade receivables	15	**875,642,221**	958,813,231
Cash and bank balances	16	**127,759,702**	91,548,842
Loans and advances	12	**64,851,119**	71,470,907
Other current assets	13	**779,653**	2,250,960
		1,333,309,354	**1,434,462,275**
TOTAL		**3,012,807,119**	**3,054,819,730**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No. 94421

Place : New Delhi
Date : May 15, 2017

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, 2017

Amount in ₹

Particulars	Notes	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Income			
Revenue from operations (gross)	17	**5,517,427,128**	6,088,532,474
Less: Excise duty		**(434,825,696)**	(469,230,560)
Revenue from operations (net)		**5,082,601,432**	**5,619,301,914**
Other income	18	**38,754,089**	83,388,328
Total Revenue (I)		**5,121,355,521**	**5,702,690,242**
Expenses			
Cost of raw material and components consumed	19	**2,032,720,486**	2,198,907,872
Cost of moulds consumed	19.1	**20,910,504**	35,875,537
Purchases of traded goods	20	**1,541,834,712**	1,850,150,142
Decrease in inventories of finished goods, work-in-progress and traded goods	20	**50,964,663**	1,144,404
Employee benefits expense	21	**520,346,182**	501,365,934
Finance costs	22	**35,463,800**	43,263,687
Other expenses	23	**685,013,599**	684,561,698
Depreciation and amortisation expense	24	**130,836,679**	116,985,517
Exceptional items	25	**32,241,360**	-
Total expenses (II)		**5,050,331,985**	**5,432,254,791**
Profit before tax (I-II)		**71,023,536**	**270,435,451**
Tax expense:			
Current Tax			
-Pertaining to profit for the current year		**27,819,111**	72,964,550
-Adjustment of tax relating to earlier years		**(3,160,924)**	(4,771,081)
Deferred Tax		**(4,617,960)**	6,740,715
Total tax expense		**20,040,227**	**74,934,184**
Profit for the year		**50,983,309**	**195,501,267**
Basic & diluted earnings per share	26		
Earning per equity share [nominal value of share ₹ 10 (March 31, 2016 : Year ₹ 10)]		**3.74**	14.34
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **S. R. Batliboi & Co. LLP**
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per **Vikas Mehra**
Partner
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Anmol Jain
Managing Director
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Ashish Dubey
Chief Financial Officer

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Company Secretary

LUMAX

CASH FLOW STATEMENT

for the year ended March 31, 2017

Amount in ₹

Particulars	Notes	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Cash flow from operating activities			
Profit before tax		**71,023,536**	270,435,451
Adjustments for:			
Depreciation and amortisation		**130,836,679**	116,985,517
Loss/ (gain) on sale of fixed assets		**445,851**	(1,596,216)
Liabilities/ provisions no longer required, written back		**(4,263,704)**	-
Provision for doubtful debts/advances		**743,880**	646,410
Dividend income		**-**	(60,396,336)
Interest income		**(783,003)**	(2,451,923)
Interest expense		**35,463,800**	43,263,687
Operating profit before working capital changes		**233,467,039**	**366,886,590**
Movement in working capital			
Decrease/(increase) in inventories		**46,101,676**	(21,065,974)
Decrease/(increase) in trade receivables		**82,427,130**	(142,078,968)
Decrease/(increase) in loans and advances		**(806,847)**	(30,793,610)
Decrease/(increase) in trade payables and current liabilities		**(117,336,048)**	290,029,686
Decrease/(increase) in provisions		**17,673,619**	(103,437,665)
Cash generated from operations		**261,526,569**	359,540,059
Direct taxes paid		**(40,549,009)**	(79,998,789)
Net cash generated from operating activities	**(A)**	**220,977,560**	**279,541,270**
Cash flow from investing activities			
Purchase of fixed assets (including CWIP and capital advances)		**(142,847,740)**	(175,559,404)
Proceeds from sale of fixed assets		**18,311,419**	18,403,123
Purchase of non-current investments		**(68,014,838)**	(1,049,400)
Interest received		**2,964,102**	1,454,455
Dividend received		**-**	60,396,336
Redemption of/ (investment in) bank deposits (net)		**12,865,363**	(303,562)
Net cash used in investing activities	**(B)**	**(176,721,694)**	**(96,658,452)**
Cash flow from financing activities			
Repayment of long term borrowings		**(126,545,831)**	(121,241,224)
Proceeds from short term borrowing (net)		**166,864,068**	41,203,919
Interest paid		**(35,463,800)**	(43,263,687)
Dividend and dividend distribution tax paid		**(1,690,083)**	(84,286,163)
Capital incentive received		**-**	1,830,000
Net cash generated from / (used in) financing activities	**(C)**	**3,164,354**	**(205,757,155)**
Net increase / (decrease) in cash and cash equivalents	**(A+B+C)**	**47,420,220**	**(22,874,337)**
Cash and cash equivalents at the beginning of the year		**79,655,663**	102,530,000
Cash and cash equivalents at the end of the year		**127,075,883**	**79,655,663**

Amount in ₹

Particulars	Notes	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Components of cash and cash equivalents			
Cash on hand		**530,821**	**1,033,819**
With banks			
- on current accounts		**125,593,481**	45,232,691
- on cash credit accounts		**-**	32,258,191
- on unpaid dividend account*		**951,581**	1,130,962
Total cash and cash equivalent (refer note 16)		**127,075,883**	**79,655,663**
Summary of significant accounting policies	2.1		

(a) The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard 3 – Cash Flow Statements as specified in accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016.

*The Company can utilize these balances only towards settlement of the respective unpaid dividend liabilities.

As per our report of even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No. 94421

Place : New Delhi
Date : May 15, 2017

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 FINANCIAL STATEMENTS

for the year ended March 31, 2017

1. Corporate information

Lumax Auto Technologies Limited the ("Company") is a public company domiciled in India. The Shares of the Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The Company is engaged in the manufacturing and trading of automotive components.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policies explained below.

2.1 Summary of significant accounting policies

a. Change in accounting policy

As per the requirements of pre-revised AS 4 (Accounting Standard 4), the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend is related to periods covered by the financial statements. As per AS 4(R) [Accounting Standard 4 (revised)], the Company cannot create provision for dividend proposed/ declared after the balance sheet date unless a statute requires otherwise. Rather, Company will need to disclose the same in notes to the financial statements.

Accordingly, the Company has disclosed dividend proposed by board of directors after the balance sheet date in the notes to the financial statements.

Had the Company continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by ₹ 77,110,986 and current provision would have been higher by ₹ 77,110,986 (including dividend distribution tax of ₹ 13,042,743)

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimate are reflected in the financial statements in the pdf in which changes are made and if material, their effects are disclosed in notes to the financial statements.

c. Property, Plant and Equipment

Property, plant and equipment, net of accumulated depreciation and accumulated impairment losses and capital work in progress are stated at cost, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of Property, plant & equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as Inventories

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

Gains or losses arising from de-recognition of property plant and equipment assets 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 de-recognized.

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 writedown amount is recognised in the Statement of Profit & Loss.

d. Depreciation on property, plant and equipment

Lease hold land is amortised on a straight line basis over the period of lease. Cost of lease hold improvements on Property, plant & equipment are amortised over period of lease or their useful for lives which ever is shorter.

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the Management. The company has used the following rates to provide depreciation on its property plant and equipment.

Assets	Useful Lives estimated by the management (years)
Factory Building	30
Other Building	30 to 60
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	8

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
Moulds	9

The residual value of **property, plant and equipment** is considered at 2%.

e. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. 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.

Intangibles assets are amortized using straight-line method over their estimated useful lives as follows:

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.

f. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company.

Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

ii) Income from services

Revenue in respect of sale of services are recognized on an accrual basis in accordance with the terms of the relevant agreements/arrangements. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

iii) Interest

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

iv) Subsidy income

Subsidy from the District Industrial Centre (under the Package Incentive Scheme 2007) is accounted based on eligibility certificate received and in proportion to the sales made during the year in line with the policy.

v) Dividends

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

g. Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior year Such reversal is recognized in the statement of profit and loss.

h. Investments

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

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

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

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

i. Inventories

Raw materials, components, stores and spares (including packing material) are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a moving average basis.

Items of stores and spares that meet the definition of Property, plant & equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on moving weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a moving weighted average basis.

Scraps are valued at net realisable value

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

j. Foreign currency transactions

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iii) Exchange differences

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. The Company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with Ministry of Corporate Affairs circular dated 09 August 2012, exchange differences for this purpose are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

iv) Forward exchange Contracts

The premium or discount - arising at the inception of forward Contract is amortised and recognised as on expenses/income

over the Contract. Exchange differences on such Contracts are recognised in Statement of Profit & Loss in the period in which exchange rates change. Any Profit or Loss arising on cancellation or renewal of such forward Contract is also recognised as income or expenses for the period.

k. Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.

l. Leases

Where the Company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs, such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

m. 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 expenditure, 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, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

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. Actuarial gains/losses are immediately taken to the statement of profit and loss, and are not deferred.

n. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Income taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier year Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company 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 Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect

of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

p. Cash and cash equivalents

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

q. 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 operate.

Inter-segment transfers

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

s. Borrowing costs

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

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

t. Government grant and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset

u. Accounting for proposed dividend

As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the company cannot create provision for dividend proposed/ declared after the balance sheet date unless a statute requires otherwise. Rather, company will need to disclose the same in notes to the financial statements. Accordingly, the company has disclosed dividend proposed by board of directors after the balance sheet date in the notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

3. Share Capital

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Share Capital		
Authorised shares	**150,000,000**	150,000,000
15,000,000 (March 31, 2016 : 15,000,000) equity shares of ₹ 10 each		
Issued, subscribed and fully paid-up shares	**136,315,410**	136,315,410
13,631,541 (March 31, 2016: 13,631,541) equity shares of ₹ 10 each		
	136,315,410	**136,315,410**

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2017		As at March 31, 2016	
	No.	Amount	No.	Amount
At the beginning of the year	**13,631,541**	**136,315,410**	13,631,541	136,315,410
Issued during the year	**-**	**-**	-	-
Outstanding at the end of the year	**13,631,541**	**136,315,410**	13,631,541	136,315,410

(b) Terms/rights attached to equity shares

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

In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No of Shares	Holding (%)	No of Shares	Holding (%)
Equity Share of ₹ 10 each fully paid				
Lumax Finance Private Limited	**2,422,264**	**17.77**	2,422,264	17.77
Dhanesh Kumar Jain	**1,655,257**	**12.14**	1,655,257	12.14
Albula Investment Fund Ltd	**1,231,627**	**9.04**	1,231,627	9.04
D. K. Jain & Sons (HUF)	**1,180,971**	**8.66**	1,180,971	8.66
Deepak Jain	**914,652**	**6.71**	914,652	6.71
Anmol Jain	**862,240**	**6.33**	862,240	6.33

As the records of the Company, including its register of shareholders/members & other declaration received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial ownership of share

(d) Proposed dividend on Equity shares

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
The board proposed dividend on equity shares after the balance sheet date		
Proposed dividend on equity shares for the year ended March 31 , 2017 : ₹ 4.70 per share (March 31 , 2016 : Nil)	**64,068,243**	-
Dividend distribution tax on proposed dividend	**13,042,743**	-
	77,110,986	**-**

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

4. Reserves and surplus

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Capital reserve			
Balance as per last financial statements		**6,909,300**	5,079,300
Add: Addition during the year *		**-**	1,830,000
	(A)	**6,909,300**	**6,909,300**
Securities premium Account	**(B)**	**452,854,525**	**452,854,525**
General reserve			
Balance as per last financial statements		**147,700,000**	128,140,000
Add : amount transferred from surplus balance in statement of profit and loss		**-**	19,560,000
	(C)	**147,700,000**	**147,700,000**
Surplus in statement of profit and loss			
Balance as per last financial statements		**624,749,662**	515,538,466
Add: Profit for the year		**50,983,309**	**195,501,267**
Less: Appropriations			
- Transfer to general reserve		**-**	(19,560,000)
- Interim / final equity dividend : Nil (March 31, 2016 ₹ 4.70) per Share **		**-**	(64,068,243)
- Tax on proposed final equity dividend		**-**	(2,661,828)
	(D)	**675,732,971**	**624,749,662**
Total	**(A+B+C+D)**	**1,283,196,796**	**1,232,213,487**

*The Company has received subsidy amounting to ₹ Nil (March 31, 2016: ₹ 1,830,000) from Government of Maharashtra in order to encourage the dispersal of industries to the less developed areas of the State to achieve higher and sustainable economic growth with emphasis on balanced regional development and employment generation through greater private and public investment in industrial development.

5. Long term borrowings

Amount in ₹

Particulars		Non current portion		Current maturities	
		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
Term loans					
Indian rupee loan from banks (secured)*		**-**	125,000,000	**125,000,000**	125,000,000
Vehicle loan from banks (secured)**		**6,400,312**	6,616,241	**6,198,514**	6,588,855
	(A)	**6,400,312**	**131,616,241**	**131,198,514**	**131,588,855**
Other loans					
Deferred sales tax loan (unsecured)***	**(B)**	**1,056,481**	**2,085,070**	**1,028,590**	**939,562**
	(A+B)	**7,456,793**	**133,701,311**	**132,227,104**	**132,528,417**
Amount disclosed under the head other current liabilities (note 8)	**(C)**	**-**	**-**	**(132,227,104)**	**(132,528,417)**
	(A+B-C)	**7,456,793**	**133,701,311**	**-**	**-**
The above amount includes					
Secured borrowings		**6,400,312**	131,616,241	**131,198,514**	131,588,855
Unsecured borrowings		**1,056,481**	2,085,070	**1,028,590**	939,562
		7,456,793	**133,701,311**	**132,227,104**	**132,528,417**

*Indian rupee loan from bank amounting to ₹ 125,000,000 (March 31, 2016: ₹ 250,000,000) taken in the financial year 2012-13 carries interest @ 8.5% - 9.50%. As per the agreement, loan is repayable in 16 equal quarterly instalments of ₹ 31,250,000 after

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

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 Narsapur Hobli plant (Bangalore).

**Vehicle loan amounting to ₹ 12,598,826 (March 31, 2016 : ₹ 13,205,096) from banks at interest @ 11% - 11.50 % 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 ₹ 2,085,071 (March 31, 2016: ₹ 3,024,632)] 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.

6. Deferred tax liabilities (net)

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Deferred tax liabilities-			
Fixed assets : Impact of differences between tax depreciation and depreciation/amortization charged for the financial reporting		**102,755,848**	102,975,756
	(A)	**102,755,848**	**102,975,756**
Deferred tax assets-			
Provision for doubtful debts and advances		**1,184,152**	1,239,486
Impact of expenditure charged to the statement of profit and loss in the current year / earlier years but allowable for tax purposes on payment basis		**18,895,845**	13,487,124
Others		-	955,335
	(B)	**20,079,997**	**15,681,945**
Net deferred tax liabilities			
	(A-B)	**82,675,851**	**87,293,811**

7. Short term borrowing

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Loans repayable on demand from banks		
Unsecured		
Bill discounting facility *	**31,298,552**	64,434,484
Secured		
Working capital loan repayable on demand **	**100,000,000**	-
Loans repayable on demand from Others		
Unsecured		
Working capital loan repayable on demand ***	**100,000,000**	-
Grand Total	**231,298,552**	64,434,484

*Bill discounting facility from bank which is repayable on 90 days from respective drawdown and carries interest ranging between 10%-12% per annum.

**Working capital loan taken from bank which is secured against stock and debtors and carries interest at 10.50%.

***Working capital loan from financial institution is repayable on 90 days from respective drawdown and carries interest ranging between 8.50% - 9.50% per annum.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

8. Trade payables

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Trade payable			
-Total outstanding dues of micro enterprises and small enterprises (refer note 37 for details of due to micro & small enterprises)	(A)	**15,912,251**	72,799,570
-Total outstanding dues of creditors other than micro enterprises and small enterprises	(B)	**932,165,968**	**998,549,802**
Other current liabilities		**131,198,514**	131,588,855
Current maturities of term loans (note 5)		**1,028,590**	939,562
Current maturities of other loans (note 5)			
Investor Education and Protection Fund will be credited by following amounts (as and when due)			
Unpaid dividends *		**951,581**	1,130,962
Advance from customers (repayable on demand)		**20,269,661**	18,654,002
Unsecured deposits from customers		**42,792,441**	38,105,500
Payable for capital goods		**3,815,501**	24,873,801
Other liabilities (net)**		**59,585,152**	64,616,198
Statutory dues payable			
Value added tax		**20,915,619**	23,903,785
TDS payable		**4,834,183**	5,142,002
Others		**6,702,155**	3,006,325
	(C)	**292,093,397**	**311,960,992**
	(A+B+C)	**1,240,171,616**	**1,383,310,364**

*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/ paid ₹ 1,79,381 (March 31, 2016: ₹ 42,828) during the current year to the Investor Education and Protection Fund.

**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.

9. Short term provisions

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Provision for employee benefits			
Provision for gratuity (note 27)		**20,470,589**	10,028,280
Provision for leave benefits		**11,221,512**	3,990,202
	(A)	**31,692,101**	**14,018,482**
Other provisions			
Provision for tax on proposed dividend		-	1,510,702
Provision for income tax (net of advance tax)		-	2,021,679
	(B)	-	**3,532,381**
	(A+B)	**31,692,101**	**17,550,863**

10. (a) Property, Plant and Equipment

Amount in ₹

Particulars	Freehold Land	Lease hold Land	Buildings*		Plant and Machinery	Furniture and Fixture	Office Equipment's	Vehicle	Computers	Total
			Factory	Non Factory						
Gross block										
As at April 1, 2015	51,980,783	33,524,710	301,822,825	-	1,037,161,572	20,238,134	14,057,165	38,133,219	18,403,031	1,515,321,439
Additions		-	342,144	-	136,851,035	1,600,642	3,841,507	13,133,282	6,916,033	162,684,643
Disposals		-	-	-	(40,177,490)	-	(244,592)	(4,131,405)	(873,006)	(45,426,493)
As at March 31, 2016	**51,980,783**	**33,524,710**	**302,164,969**	**-**	**1,133,835,117**	**21,838,776**	**17,654,080**	**47,135,096**	**24,446,058**	**1,632,579,589**
Additions	-	-	134,072	85,180,476	95,568,438	6,688,579	5,623,288	8,955,170	1,694,333	203,844,356
Disposals	-	-	-	-	(22,177,546)	(9,375)	-	(3,909,305)	(93,125)	(26,189,351)
Fixed assets held for sale	-	-	-	-	(1,049,952)	-	-	-	-	(1,049,952)
As at March 31, 2017	**51,980,783**	**33,524,710**	**302,299,041**	**85,180,476**	**1,206,176,057**	**28,517,980**	**23,277,368**	**52,180,961**	**26,047,266**	**1,809,184,642**
Depreciation										
As at April 1, 2015	-	2,073,838	45,274,834	-	310,507,825	8,052,975	7,084,438	11,121,342	13,924,597	398,039,849
For the year	-	338,599	9,798,986	-	84,963,398	1,716,336	3,246,306	8,104,321	3,295,929	111,463,875
Disposals	-	-	-	-	(26,105,706)	-	(222,723)	(1,623,900)	(667,258)	(28,619,587)
As at March 31, 2016	**-**	**2,412,437**	**55,073,820**	**-**	**369,365,517**	**9,769,311**	**10,108,021**	**17,601,763**	**16,553,268**	**480,884,137**
For the year		338,599	9,788,707	30,494	95,551,129	2,053,373	4,017,729	8,798,648	4,017,843	124,596,522
Disposals		-	-	-	(4,299,154)	(9,375)	-	(3,068,877)	(54,675)	(7,432,081)
Fixed assets held for sale	-	-	-	-	(340,160)	-	-	-	-	(340,160)
As at March 31, 2017	**-**	**2,751,036**	**64,862,527**	**30,494**	**460,277,332**	**11,813,309**	**14,125,750**	**23,331,534**	**20,516,436**	**597,708,418**
Net block										
As at March 31, 2016	**51,980,783**	**31,112,273**	**247,091,149**	**-**	**764,469,600**	**12,069,465**	**7,546,059**	**29,533,333**	**7,892,790**	**1,151,695,452**
As at March 31, 2017	**51,980,783**	**30,773,674**	**237,436,514**	**85,149,982**	**745,898,725**	**16,704,671**	**9,151,618**	**28,849,427**	**5,530,830**	**1,211,476,224**

1. Building (non factory) having gross block of ₹ 85,180,476 (March 31, 2016 : Nil) is yet to be registered in the name of the Company.

2. Adjustment to plant and machinery includes machinery having Gross block of ₹ 1,049,952 (March 31, 2016 : nil) and accumulated depreciation of ₹ 340,160 (March 31, 2016 : nil) transferred to "Assets held for sale" during the year (refer note 44).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

10. (b) Intangible assets

Particulars	Technical Know How	Computer Software	Total
Gross Block			
As at April 1, 2015	5,783,947	20,758,852	26,542,799
Additions	-	5,870,721	5,870,721
As at March 31, 2016	**5,783,947**	**26,629,573**	**32,413,520**
Additions	-	3,896,416	3,896,416
As at March 31, 2017	**5,783,947**	**30,525,989**	**36,309,936**
Amortisation			
As at April 1, 2015	4,215,496	11,426,689	15,642,185
For the year	523,296	4,998,346	5,521,642
As at March 31, 2016	**4,738,792**	**16,425,035**	**21,163,827**
For the year	523,296	5,716,861	6,240,157
As at March 31, 2017	**5,262,088**	**22,141,896**	**27,403,984**
Net Block			
As at March 31, 2016	1,045,155	10,204,539	11,249,694
As at March 31, 2017	**521,859**	**8,384,093**	**8,905,952**

11. Non-Current Investments

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Trade Investments			
Investments in equity instruments (unquoted)			
- In subsidiary companies			
Lumax DK Auto Industries Limited			
4,240,313 (March 31, 2016 - 4,240,313) equity shares of ₹10 each fully paid up		**12,365,947**	12,365,947
Lumax Mannoh Allied Technologies Private Limited			
1,914,284 (March 31, 2016 - 1,914,284) equity shares of ₹ 10 each fully paid up		**250,947**	250,947
Lumax Integrated Ventures Private Limited			
508,000 (March 31, 2016 - 100,000)equity shares of ₹ 10 each fully paid up		**5,129,400**	1,049,400
Lumax Management Services Private Limited 309,625 (March 31, 2016 - ₹ Nil) equity shares of ₹ 10 each fully paid up		**41,334,938**	-
	(A)	**59,081,232**	**13,666,294**
- In Joint Ventures			
Lumax Cornaglia Auto Technologies Private Limited			
3,213,869 (March 31, 2016 -3,185,609) equity shares of ₹ 10 each fully paid up		**59,071,286**	56,471,366
Lumax Gill-Austem Auto Technologies Private Limited			
2,473,714 (March 31, 2016 - 2,188,000) equity shares of ₹ 10 each fully paid up		**41,879,980**	21,880,000
	(B)	**100,951,266**	**78,351,366**

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
- Others			
Rupee Co-operative Bank Limited		**1,000**	1,000
20 (March 31, 2016 : 20) equity shares of ₹ 50 each fully paid-up			
	(C)	**1,000**	**1,000**
Investment in equity instruments (quoted)			
Lumax Industries Limited			
525,000 (March 31, 2016 - 525,000) equity shares of ₹10 each fully paid up.		**193,783,106**	193,783,106
	(D)	**193,783,106**	**193,783,106**
Grand total	**(A+B+C+D)**	**353,816,604**	**285,801,766**
Aggregate cost of unquoted investments		**160,033,498**	92,018,660
Aggregate cost of quoted investments		**193,783,106**	193,783,106
Aggregate market value of quoted investments		**724,158,750**	220,342,500

12. Loans and advances

Amount in ₹

Particulars		Non-current		Current	
		As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Capital advances					
Unsecured, considered good	**(A)**	**9,375,210**	124,773,867	-	-
Security deposits					
Unsecured, considered good		**16,417,144**	13,492,665	-	-
Doubtful		**500,000**	500,000	-	-
		16,917,144	**13,992,665**	-	-
Provision for security deposits doubtful debts		**(500,000)**	(500,000)	-	-
	(B)	**16,417,144**	**13,492,665**	-	-
Loan and advance to related parties					
Unsecured, considered good		-	-	-	296,690
Advance recoverable in cash or in kind					
Unsecured, considered good		-	-	-	2,356,031
Other loans and advances					
Advance to suppliers		-	-	**32,548,746**	33,635,044
Balance with government authorities *		**6,276,242**	-	**19,188,710**	23,576,151
Prepaid expenses		-	-	**5,971,381**	4,588,383
Income tax refund receivable (net of provision)		**13,869,143**	1,774,086	-	-
Advance to employees		-	-	**2,856,053**	4,235,984
Others		-	-	**4,286,229**	2,782,624
	(C)	**20,145,385**	**1,774,086**	**64,851,119**	**68,818,186**
	(A+B+C)	**45,937,739**	**140,040,618**	**64,851,119**	**71,470,907**

* Balance with government authorities includes the amount of subsidy claim receivable from the government on the capital investments made in the state of Maharashtra.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

13. Other assets

Amount in ₹

Particulars	Non-current		Current	
	As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Unsecured considered good				
Non - current bank balances (note 16)	**50,000**	1,706,003	**-**	-
Fixed assets held for sale (note 45)	**-**	-	**709,792**	-
Interest accrued on fixed deposit	**-**	-	**69,861**	2,250,960
	50,000	**1,706,003**	**779,653**	**2,250,960**

Non-current bank balances include:

₹ 50,000 (March 31, 2016 - ₹ 50,000) is deposited towards guarantee in sales tax department.

14. Inventories (valued at lower of cost and net realisable value)

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Raw materials and components (refer note 19)	**105,357,574**	98,211,684
Work-in-progress	**16,595,946**	18,429,987
Finished goods (includes goods in transit - ₹ 10,192,854 (March 31, 2016 : ₹ 13,431,575))	**27,512,020**	22,435,845
Traded goods (includes goods in transit - ₹ 1,076,455 (March 31, 2016 ₹ 8,269,050))	**106,108,199**	160,314,996
Stores and spares		
- Packing material	**1,905,416**	1,596,128
- Consumables	**4,182,712**	9,389,695
- Mould and dies	**2,614,792**	-
	264,276,659	**310,378,335**

15. Trade Receivables

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good		**600,000**	575,000
Unsecured, considered good		**5,940,439**	11,700,504
Doubtful		**4,471,792**	3,727,912
		11,012,231	**16,003,416**
Provision for doubtful receivables		**(4,471,792)**	(3,727,912)
	(A)	**6,540,439**	**12,275,504**
Other receivables			
Secured, considered good		**34,520,500**	35,170,500
Unsecured, considered good		**834,581,282**	911,367,227
	(B)	**869,101,782**	**946,537,727**
	(A+B)	**875,642,221**	**958,813,231**

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

16. Cash and Bank Balances

Amount in ₹

Particulars	Non-current		Current	
	As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Cash and cash equivalents				
Balance with Banks				
- on current accounts	-	-	**125,593,481**	45,232,691
- on cash credit account	-	-	-	32,258,191
- on unpaid dividend account*	-	-	**951,581**	1,130,962
Cash on hand	-	-	**530,821**	1,033,819
(A)	-	-	**127,075,883**	**79,655,663**
Other bank balances				
- Deposits with remaining maturity for more than 3 months and less than 12 months	-	-	**683,819**	11,893,179
- Deposits with remaining maturity for more than 12 months	**50,000**	1,706,003	-	-
Amount disclosed under non current assets (note 13)	**(50,000)**	**(1,706,003)**	-	-
(B)	-	-	**683,819**	**11,893,179**
(A+B)	-	-	**127,759,702**	**91,548,842**

*The Company can utilize the balance only towards settlement of unclaimed dividend.

17. Revenue from Operations

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Revenue from operations		
Sale of products		
Finished goods	**3,380,135,471**	3,630,858,792
Traded goods	**2,107,061,947**	2,393,467,425
Sale of Services		
- Labour Charges	-	1,886,785
Other operating revenues		
Scrap sale	**4,124,036**	6,347,557
Die and tool sale	**26,105,674**	55,971,915
Revenue from operations (gross)	**5,517,427,128**	**6,088,532,474**
Less : Excise duty*	**(434,825,696)**	(469,230,560)
Revenue from operations (net)	**5,082,601,432**	**5,619,301,914**

* Excise duty on sales amounting to ₹ 434,825,696 (March 31, 2016: ₹ 469,230,560) has been reduced from sales in statement of profit and loss and excise duty on decrease in inventory amounting to ₹ (206,453) (March 31, 2016 : ₹ 1,093,573) has been considered as (income)/ expenses in note 23.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

Details of products sold (net of excise duty)

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Finished goods sold		
Lighting system	**968,813,693**	1,104,800,680
Plastic moulded items	**692,398,159**	798,766,675
Metal frames / chassis	**887,430,031**	1,067,481,925
Others	**430,286,014**	226,933,672
	2,978,927,897	**3,197,982,952**
Traded goods sold		
Lighting system	**1,209,796,951**	1,318,643,541
Music systems	**40,937,620**	62,873,232
Others	**826,294,886**	982,417,070
	2,077,029,457	**2,363,933,843**
Sales of services and other operating revenues		
Labour charges	**-**	1,886,785
Scrap sales	**3,815,682**	**5,745,539**
Dies and tools sale	**22,828,396**	49,752,795
	26,644,078	**57,385,119**
	5,082,601,432	**5,619,301,914**

18. Other Income

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Interest income on		
- Bank deposit	**783,003**	2,451,924
- Others	**366,164**	316,439
Dividend income - long term investment	**-**	60,396,336
Other non-operating income (net of expenses directly attributable to such income)		
Discount earned	**1,115,899**	1,937,894
Liabilities / provisions no longer required, written back	**4,263,704**	-
Miscellaneous income	**16,237,353**	14,563,158
Rental Income	**14,299,000**	2,592,000
Exchange differences (net)	**1,688,966**	1,130,578
	38,754,089	**83,388,328**

19. Cost of raw material and components consumed

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Inventory at the beginning of the year	**98,211,684**	80,787,686
Add : Purchases	**2,039,866,376**	2,216,331,870
Less : inventory at the end of the year	**105,357,574**	**98,211,684**
	2,032,720,486	**2,198,907,872**

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

Details of raw material and components consumed

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Lighting components	**757,675,494**	883,414,364
Plastic Granuals / Components	**511,711,963**	581,409,394
Steel sheets / tubes	**475,104,569**	624,828,475
Others	**288,228,460**	109,255,639
	2,032,720,486	**2,198,907,872**

Imported and indigenous raw materials and components consumed

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Imported	**112,087,045**	55,131,880
Indigenous	**1,920,633,441**	2,143,775,992
Total	**2,032,720,486**	**2,198,907,872**

Imported and indigenous raw materials and components consumed

Amount in %

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Imported	**6%**	3%
Indigenous	**94%**	97%
Total	**100%**	**100%**

Details of inventory

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Raw material and components		
Lighting components	**23,190,157**	7,321,758
Plastic granuals / components	**13,984,952**	9,151,936
Steel sheets / tubes	**1,043,879**	8,927,726
Others	**67,138,586**	72,810,264
	105,357,574	**98,211,684**

19.1 Cost of moulds consumed

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Inventory at the beginning of the year	**-**	-
Add : Purchases	**23,525,296**	35,875,537
Less : Inventory at the end of the year	**2,614,792**	-
	20,910,504	**35,875,537**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

20. Decrease in inventories of finished goods, work-in-progress and traded goods

Amount in ₹

Particulars		For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Inventories at the end of the year:			
Finished goods		**27,512,020**	22,435,845
Traded goods		**106,108,199**	160,314,996
Work-in progress		**16,595,946**	18,429,987
	(A)	**150,216,165**	**201,180,828**
Less: Inventories at the beginning of the year:			
Finished goods		**22,435,845**	25,955,485
Traded goods		**160,314,996**	157,169,625
Work-in progress		**18,429,987**	19,200,122
	(B)	**201,180,828**	**202,325,232**
Decrease in inventories (B-A)		**50,964,663**	**1,144,404**

Details of Inventory

Amount in ₹

Particulars		For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Finished goods			
Lighting systems		**22,575,549**	16,069,155
Plastic Moulded items		**4,595,422**	4,430,400
Metal frames/chassis		**341,049**	1,936,290
	(A)	**27,512,020**	**22,435,845**
Traded goods			
Lighting systems		**20,579,914**	76,528,386
Music systems		**19,204,246**	16,768,540
Others		**66,324,039**	67,018,070
	(B)	**106,108,199**	**160,314,996**
Work in progress			
Lighting systems		**12,912,700**	15,472,567
Plastic Moulded items		**560,945**	249,043
Metal frames/chassis		**3,122,301**	2,708,377
	(C)	**16,595,946**	**18,429,987**
	(A+B+C)	**150,216,165**	**201,180,828**

Details of purchase of traded goods

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Lighting systems	**876,300,740**	1,076,259,147
Music systems	**42,420,504**	64,065,130
Others	**623,113,468**	709,825,865
	1,541,834,712	**1,850,150,142**

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

21. Employee Benefits Expenses

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Salaries, wages and bonus	**473,961,257**	465,439,544
Contribution to provident and others funds	**22,714,901**	18,829,087
Gratuity expense (refer note 27)	**10,411,136**	2,974,064
Staff welfare expenses	**13,258,888**	14,123,239
	520,346,182	**501,365,934**

22. Finance Costs

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Interest on term loans	**18,076,195**	31,241,902
Interest on working capital	**7,292,580**	5,561,486
Interest paid to others	**10,095,025**	6,460,299
	35,463,800	**43,263,687**

23. Other Expenses

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Freight and forwarding charges	**123,020,386**	134,647,776
Job-work charges	**95,494,060**	109,201,014
Power and fuel	**63,069,833**	70,099,396
Consumables	**36,346,953**	41,287,897
Sales incentive to customers	**30,123,607**	44,930,511
Travelling and conveyance	**39,384,185**	36,507,194
Packing materials consumed	**31,345,695**	34,477,657
Rent	**35,419,434**	27,463,614
Cash discount on sales	**20,629,067**	24,307,357
Security charges	**14,973,813**	12,124,033
Legal and professional fees	**47,784,387**	15,673,996
Repairs and maintenance		
- Plant and machinery	**32,159,255**	30,086,378
- Building	**3,061,704**	2,835,142
- Others	**6,412,996**	6,441,519
Communication cost	**6,479,666**	6,196,254
Rates and taxes	**8,538,700**	5,212,933
Payment to auditors (Refer detail below)	**3,807,432**	3,652,074
Insurance	**4,365,827**	3,770,845
Contribution towards corporate social responsibility (refer note 40)	**3,870,000**	4,100,000
Vehicle expenses	**5,188,042**	3,382,487
Printing and stationery	**3,275,492**	3,832,869
Advertisement and sales promotion	**2,161,505**	4,183,772
Water charges	**2,453,821**	2,502,427

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Director's sitting fees	**1,120,000**	980,000
Management fees	**37,735,177**	28,356,384
(Increase)/decrease of excise duty on inventory	**(206,453)**	1,093,573
Loss/ (gain) on sales of fixed assets (net)	**445,851**	(1,596,216)
Provision for doubtful debts/advances	**743,880**	646,410
Miscellaneous expenses	**25,809,284**	28,164,402
	685,013,599	**684,561,698**
Payments to auditor		
As auditor		
Audit fees	**2,500,000**	2,250,000
Limited review	**1,050,000**	1,050,000
Tax audit fees	**150,000**	150,000
In other capacity		
Reimbursement of expenses	**107,432**	202,074
	3,807,432	**3,652,074**

24. Depreciation and amortisations expense

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Depreciation of property, plant & equipments	**124,596,522**	111,463,875
Amortisation of intangible assets	**6,240,157**	5,521,642
	130,836,679	**116,985,517**

25. Exceptional Items

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Employee separation cost (refer note 43)	32,241,360	-
	32,241,360	**-**

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Profit after tax	**50,983,309**	195,501,267
Weighted average number of equity shares (in number)	**13,631,541**	13,631,541
Nominal value per share	**10**	10
Basic & diluted earning per share	**3.74**	14.34

27. Gratuity and Other Post-employment Benefit Plans :

The Company operates defined plans, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

(a) During the year, the Company has recognized the following amounts in the statement of profit and loss :

Defined contribution plans

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Employer's contribution to providend fund	20,141,766	18,217,652
Employer's contribution to employee state insurance	2,573,135	611,435

Net Employee benefits expense recognized in the employee cost

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Current service cost	**5,522,027**	5,758,278
Interest	**3,426,927**	3,482,546
Expected return on plan assets	**(2,896,532)**	(3,018,854)
Actuarial loss/(gain)	**4,358,714**	(3,247,906)
Net cost	**10,411,136**	**2,974,064**

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

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Discount rate	**7.00%**	7.60%
Expected rate of increase in compensation levels	**7.00%**	7.50%
Expected rate of return on plan assets	**8.25%**	8.50%
Expected average remaining working lives of employees (years)	**9.87**	9.65
Mortality table	Indian Assured Lives Mortality 2006 - 08	
Expected average remaining working lives of employees (years)	**9.87**	9.65
Normal retirement age	**58 years**	58 years

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.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

(c) Changes in the defined benefit obligation are as follows:

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Benefit obligation as at the beginning of the year	**49,914,011**	45,287,877
Current service cost	**5,522,027**	5,758,278
Interest cost	**3,426,927**	3,482,546
Benefit paid	**(3,555,669)**	(1,279,712)
Settlement cost	**(12,180,106)**	-
Actuarial loss/(gain)	**3,974,337**	(3,334,978)
Benefit obligation at year end	**47,101,527**	**49,914,011**

(d) Benefit asset / liability :

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Present value of defined benefit obligation	**47,101,527**	49,914,011
Fair value of plan assets	**26,630,938**	39,885,731
Plan asset / (liability)	**(20,470,589)**	**(10,028,280)**

(e) Table showing changes in the fair value of plan assets :

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Opening fair value of plan assets	**39,885,733**	34,077,898
Expected return on plan assets	**2,896,532**	3,018,854
Contribution by employer	**279,663**	4,155,766
Benefits paid	**(3,555,669)**	(1,279,715)
Morality charges	**(310,838)**	-
Amount paid on settlement	**(12,180,106)**	-
Actuarial gain on plan assets	**(384,377)**	(87,072)
Closing fair value of plan assets	**26,630,938**	**39,885,731**

(f) Amounts for the current and previous four periods :

Amount in ₹

	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligation	**47,101,527**	49,914,011	45,287,877	36,947,443	28,455,953
Plan assets	**26,630,938**	39,885,733	34,077,898	27,767,559	26,328,934
Surplus / (deficit)	**(20,470,589)**	(10,028,280)	(11,209,979)	(9,179,884)	(2,127,019)
Experience adjustments on plan liabilities	**3,394,270**	(2,550,827)	1,294,234	2,308,356	42,967
Experience adjustments on plan assets	**288,290**	(87,072)	(77,657)	68,085	76,838

(g) Major category of plan assets (As a % of total plan assets)

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Investment with the insurer	**100%**	100%

28. Operating lease: Company as lessee

The Company has entered into commercial leases for office premises and warehouses. There are no contingent rents in the lease agreements. The lease terms is for 1-5 years and more than 5 year and are renewable at the mutual agreements of both the parties. There are no restrictions imposed by lease arrangements. There are no subleases. The rent expense under these agreements is ₹ 35,419,434 (March 31, 2016 : ₹ 27,463,614).

Total minimum lease payments at the year- end in case of fixed non-cancellable lease term:

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Future minimum lease payments:		
Not later than one year	**2,070,600**	**-**
Later than one year but not later than five years	**8,919,070**	**-**

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

29. Capital and other commitments

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advance paid ₹ 9,375,210 (Previous year: ₹124,773,868)	**2,184,219**	21,519,367
	2,184,219	**21,519,367**

30. Value of imports calculated on C.I.F. basis

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Raw material and components	**189,171,620**	115,793,313
Capital goods	**14,731,015**	35,544,393
Total	**203,902,634**	**151,337,706**

31. Contingent Liabilities

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
In respect of 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 ₹ 435,192 against which demand raised against the same amounting to ₹ 118,000. The Company has preferred an appeal with Commisioner of Income Tax (Appeals) "(CIT(A))" against the same.	**118,000**	118,000
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 ₹ 1,185,586 against which demand raised for tax amounting ₹ 384,670. The Company has preferred an appeal with CIT(A) against the same.	**384,670**	384,670
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 ₹ 1,131,137 against which demand raised for tax amounting ₹ 384,480. The Company had preferred an appeal with CIT(A). During the current year CIT(A) has been allowed in favour of Company by CIT(A) vide their letter dated February 7, 2017.	-	384,480
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 earliar years and Commissioner (Appeals) has allowed the said appeal in current year and passed the order in favour of Company vide letter dated June 28, 2016.	-	1,042,425
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 current year and passed the order in favour of company vide letter dated July 14, 2016.	-	92,770

The Company on the basis of current status of the cases and advice obtained from legal counsel is confident that there would not be any probable outflow of resources in these matters.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

32. Earning & expenditure in foreign currency (on accrual basis)

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Expenditure in foreign currency		
Travelling Expenses	**3,103,167**	2,477,043
Miscellaneous expenditure	**1,155,776**	905,329
Total	**4,258,943**	**3,382,372**
Earning in foreign currency		
Export of finished goods at F.O.B. value	**85,299,110**	118,549,526
Total	**85,299,110**	**118,549,526**

33. Net dividend remitted in foreign exchange

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	
	2016-17	2015-16	2014-15
Period to which it related			
Number of non-resident shareholder		1	1
Number of equity Shares held on which dividend was due	**Nil**	74,210	74,210
Amount remitted (in USD)	**Nil**	5,174	7,657
Amount remitted (in INR)	**Nil**	348,784	519,470

34. Total expenditure incurred on research and development :

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Expenditure charged to statement of profit and loss	**3,431,710**	**3,018,449**

35. Details of unhedged foreign currency

		Amount in ₹		Amount in Foreign Currency	
Particulars	Foreign Currency	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Trade Payable	EURO	**45,098**	1,368,435	**612**	18,149
	USD	**20,101,925**	23,808,411	**293,847**	359,318
Trade Receivable	USD	**7,039,850**	15,016,835	**104,454**	226,635

36. Details of expenses capitalised under fixed assets/ capital work in progress

During the year, the company has capitalized the following expenses of revenue nature to the cost of fixed asset/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 2016
Travelling and others	-	1,059,614
Total	-	**1,059,614**

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

37. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Amount in ₹

Particulars	For the Year Ended March 31, 2017	For the Year Ended March 31, 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	**15,912,251**	72,799,570
Interest due on above	**1,718,652**	-
	17,630,903	**72,799,570**
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.	**1,714,700**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	**3,953**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

38. Related Party Disclosures

Names of related parties and related party relationship

Related parties (where control exists and / or with whom transactions have taken place during the year)

S. No.	Relationship	Name of Related Parties
1	Subsidiary Companies	Lumax DK Auto Industries Limited
		Lumax Mannoh Allied Technologies Private Limited
		Lumax Integrated Ventures Private Limited
		Lumax Management Services Private Limited (w.e.f. September 27, 2016)
2	Step down subsidiary companies (subsidiary of "LIV")	Lumax Energy Solutions Private Limited Lumax Sipal Engineering Private Limited. Velomax Mobility Private Limited.
3	Joint Venture	Lumax Cornaglia Auto Technologies Private Limited
		Lumax Gill Austem Auto Technologies Private Limited
4	Key Management Personnel	Mr.Dhanesh Kumar Jain (Chairman)
		Mr.Anmol Jain (Managing Director)
		Additional related parties as per CA 2013 with whom transactions have taken place during the year
		Mr. Ashish Dubey (Chief Financial Officer)
		Ms. Swapnal Patane (Company Secretary)
5	Relatives of Key Management Personnel	Mr. Deepak Jain (Son of Mr. D.K. Jain, Brother of Mr. Anmol Jain)
		Ms. Shivani Jain (Wife of Mr. Anmol Jain)
		Ms. Usha Jain (Wife of Mr.D.K.Jain)
6	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
		Vardhman Agencies Private Limited
		Lumax Charitable Foundation
		Lumax Management Services Private Limited (till September 26, 2016)

* Lumax management services private limited has become wholly owned subsidiary of the Company w.e.f. September 27, 2016.

38.1

Amount in ₹

S. No.	Account Head	Subsidiary Companies (including step down subsidiary companies)		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel and/ or their relatives		Joint Venture		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
A)	**TRANSACTIONS**												
i)	**Sale of Raw Material and Components**												
	Lumax DK Auto Industries Limited	**1,631,906**	105,985	-	-	-	-	-	-	-	-	**1,631,906**	105,985
	Lumax Industries Limited	-	-	-	-	-	-	**3,034,302**	33,314,920	-	-	**3,034,302**	33,314,920
	Lumax Ancillary Limited	-	-	-	-	-	-	**20,452,353**	39,389,016	-	-	**20,452,353**	39,389,016
	Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	**23,662,467**	1,813,317	**23,662,467**	1,813,317
	Total (i)	**1,631,906**	**105,985**	-	-	-	-	**23,486,655**	**72,703,936**	**23,662,467**	**1,813,317**	**48,781,029**	**74,623,237**
ii)	**Sale of Finished Goods**												
	Lumax DK Auto Industries Limited	**90,019,744**	22,163,769	-	-	-	-	-	-	-	-	**90,019,744**	22,163,769
	Lumax Industries Limited	-	-	-	-	-	-	**442,302,650**	301,401,568	-	-	**442,302,650**	301,401,568
	Lumax Ancillary Limited	-	-		-	-	-	**23,044,431**	33,039,710	-	-	**23,044,431**	33,039,710
	Lumax Mannoh Allied Technologies Limited	**525,347**	2,114,058	-	-	-	-	-	-	-	-	**525,347**	2,114,058
	Lumax Energy Solutions Private Limited.	**8,206,344**	16,847,549	-	-	-	-	-	-	-	-	**8,206,344**	16,847,549
	Total (ii)	**98,751,435**	**41,125,377**	-	-	-	-	**465,347,080**	**334,441,278**	-	-	**564,098,515**	**375,566,655**
iii)	**Sale of Fixed Assets**												
	Lumax Industries Limited	-	-	-	-	-	-	**66,220**	-			**66,220**	
	Lumax Mannoh Allied Technologies Limited	-	157,060	-	-	-	-	-	-	-	-	-	157,060
	Lumax Management Services Private Limited			-	-	-	-		2,552,588	-	-		2,552,588
	Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	**44,224,104**	289,009	**44,224,104**	289,009
	Total (iii)	-	**157,060**	-	-	-	-	**66,220**	**2,552,588**	**44,224,104**	**289,009**	**44,290,325**	**2,998,657**
iv)	**Purchases of Raw Materials and Components**												
	Lumax DK Auto Industries Limited	**2,974,628**	1,004,694	-	-	-	-	-	-	-	-	**2,974,628**	1,004,694
	Bharat Enterprises	-	-	-	-	-	-	**12,194,558**	14,294,620	-	-	**12,194,558**	14,294,620
	Lumax Industries Limited	-	-	-	-	-	-	**45,994,481**	71,441,898	-	-	**45,994,481**	71,441,898
	Lumax Ancillary Limited	-	-	-	-	-	-	**295,360,755**	332,912,797	-	-	**295,360,755**	332,912,797
	Lumax Mannoh Allied Technologies Limited	**3,535**	366,809	-	-	-	-	-	-	-	-	**3,535**	366,809
	Lumax Energy Solutions Private Limited.	**83,842**	346,344	-	-	-	-	-	-	-	-	**83,842**	346,344
	Mahavir Udyog	-	-	-	-	-	-	**41,967**	-	-	-	**41,967**	-
	Total (iv)	**3,062,005**	**1,717,847**	-	-	-	-	**353,591,761**	**418,649,315**	-	-	**356,653,766**	**420,367,162**

Amount in ₹

S. No.	Account Head	Subsidiary Companies (including step down subsidiary companies)		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel and/ or their relatives		Joint Venture		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
v)	**Purchases of Finished Goods**												
	Lumax DK Auto Industries Limited	**16,928,121**	21,898,011	-	-	-	-	-	-	-	-	**16,928,121**	21,898,011
	Bharat Enterprises	-	-	-	-	-	-	**379,016**	135,023	-	-	**379,016**	135,023
	Lumax Energy Solutions Private Limited	**15,225**	-					-	-			**15,225**	-
	Lumax Industries Limited	-	-	-	-	-	-	**424,875,120**	540,477,630	-	-	**424,875,120**	540,477,630
	Lumax Ancillary Limited	-	-	-	-	-	-	**49,039,322**	27,615,712	-	-	**49,039,322**	27,615,712
	Total (v)	**16,943,346**	**21,898,011**	-	-	-	-	**474,293,458**	**568,228,365**	-	-	**491,236,804**	**590,126,376**
vi)	**Job work Charges**												
	Lumax DK Auto Industries Limited	**3,878**	-	-	-	-	-	-	-	-	-	**3,878**	-
	Lumax Industries Limited	-	-	-	-	-	-	**907,212**	647,446	-	-	**907,212**	647,446
	Lumax Ancillary Limited	-	-	-	-	-	-	**121,236**	802,071	-	-	**121,236**	802,071
	Lumax Energy Solutions Private Limited	**66,150**	-									**66,150**	-
	Total (vi)	**70,028**	-	-	-	-	-	**1,028,447**	**1,449,517**	-	-	**1,098,475**	**1,449,517**
vii)	**Others ((Debit) / Credit notes)**												
	Lumax DK Auto Industries Limited	**2,529,299**	2,263,915	-	-	-	-	-	-	-	-	**2,529,299**	2,263,915
	Lumax Industries Limited	-	-	-	-	-	-	**1,361,129**	15,943	-	-	**1,361,129**	15,943
	Lumax Ancillary Limited	-	-	-	-	-	-	**(54,957)**	-	-	-	**(54,957)**	-
	Lumax Energy Solutions Private Limited	**(721,824)**	1,025	-	-	-	-	-	-	-	-	**(721,824)**	1,025
	Lumax Mannoh Allied Technologies Limited	**27,324**	(100,835)	-	-	-	-	-	-	-	-	**27,324**	(100,835)
	Lumax Management Services Private Limited	-	-	-	-	-	-	**2,603**	-	-	-	**2,603**	-
	Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	**915,284**	4,128,636	**915,284**	4,128,636
	Mahavir Udyog	-	-	-	-	-	-	**(2,300)**	-	-	-	**(2,300)**	-
	Total (vii)	**1,834,799**	**2,164,105**	-	-	-	-	**1,306,475**	**15,943**	**915,284**	**4,128,636**	**4,056,558**	**6,308,684**
viii)	**Purchase of Packing Material**												
	Mahavir Udyog	-	-	-	-	-	-	**804,923**	**191,918**	-	-	**804,923**	**191,918**
	Lumax DK Auto Industries Ltd	-	(1,650)	-	-	-	-	-	-	-	-	-	(1,650)
	Lumax Industries Limited	-	-	-	-	-	-	-	(25,035)	-	-	-	(25,035)
	Total (viii)	-	**(1,650)**	-	-	-	-	**804,923**	**166,883**	-	-	**804,923**	**165,233**
ix)	**Purchase of Fixed Assets**												
	Lumax DK Auto Industries Limited	-	953,802	-	-	-	-	-	-	-	-	-	953,802
	Lumax Industries Limited	-	-	-	-	-	-	-	4,179,069	-	-	-	4,179,069
	Lumax Energy Solutions Private Limited.	-	59,813	-	-	-	-	-	-	-	-	-	59,813
	Total (ix)	-	**1,013,615**	-	-	-	-	-	**4,179,069**	-	-	-	**5,192,684**

Amount in ₹

S. No.	Account Head	Subsidiary Companies (including step down subsidiary companies)		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel and/ or their relatives		Joint Venture		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
x)	**Availling of Services**												
	Lumax Industries Limited	-	-	-	-	-	-	675,237	-	-	-	675,237	-
	Lumax Tours & Travels Ltd	-	-	-	-	-	-	11,027,964	8,733,456	-	-	11,027,964	8,733,456
	Lumax Management Services Private Limited	75,531,569	-	-	-	-	-	-	29,327,441	-	-	75,531,569	29,327,441
	Total (x)	75,531,569	-	-	-	-	-	11,703,201	38,060,897	-	-	87,234,770	38,060,897
xi)	**Rendering of Services**												
	Lumax Industries Limited	-	-	-	-	-	-	-	1,292,140	-	-	-	1,292,140
	Lumax Ancillary Limited	-	-	-	-	-	-	143,861	-	-	-	143,861	-
	Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	30,449,559	-	30,449,559	-
	Lumax Mannoh Allied Technologies Limited	274,004	-	-	-	-	-	-	-	-	-	274,004	-
	Total (xi)	274,004	-	-	-	-	-	143,861	1,292,140	30,449,559	-	30,867,424	1,292,140
xii)	**Lease Rent - (Income)**												
	Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	16,160,250	2,738,775	16,160,250	2,738,775
	Lumax Mannoh Allied Technologies Limited	220,632	219,280	-	-	-	-	-	-	-	-	220,632	219,280
	Total (xii)	220,632	219,280	-	-	-	-	-	-	16,160,250	2,738,775	16,380,882	2,958,055
xiii)	**Lease Rent - (Expense)**												
	M` Usha Jain	-	-	-	-	2,469,000	2,361,000	-	-	-	-	2,469,000	2,361,000
	Lumax Industries Limited	-	-	-	-	-	-	6,600,054	9,206,993	-	-	6,600,054	9,206,993
	Lumax DK Auto Industries Limited	1,820,016	1,946,831	-	-	-	-	-	-	-	-	1,820,016	1,946,831
	Total (xiii)	1,820,016	1,946,831	-	-	2,469,000	2,361,000	6,600,054	9,206,993	-	-	10,889,070	13,514,824
xiv)	**CSR Expenditure**												
	Lumax Charitable Foundation	-	-	-	-	-	-	3,870,000	4,100,000	-		3,870,000	4,100,000
	Total (xiv)	-	-	-	-	-	-	3,870,000	4,100,000	-	-	3,870,000	4,100,000
xv)	**Managerial Remuneration paid ***												
	Mr.Anmol Jain	-	-	12,031,628	4,338,308	-	-	-	-	-		12,031,628	4,338,308
	Mr.D.K.Jain	-	-	11,355,104	11,275,671	-	-	-	-	-		11,355,104	11,275,671
	Mr. Ashish Dubey			3,907,000	3,442,000							3,907,000	3,442,000
	Ms. Swapnal Patane			530,000	304,000							530,000	304,000
	Total (xv)	-	-	27,823,732	19,359,979	-	-	-	-	-	-	27,823,732	19,359,979
xvi)	**Commission Paid**												
	Mr. Anmol Jain	-	-	-	434,999	-	-	-	-	-	-	-	434,999
	Mr. D.K.Jain	-	-	-	2,333,660	-	-	-	-	-	-	-	2,333,660
	Mr. Deepak Jain	-	-	-	-	950,000	2,874,746	-	-	-	-	950,000	2,874,746
	Total (xvi)	-	-	-	2,768,659	950,000	2,874,746	-	-	-	-	950,000	5,643,405

Amount in ₹

S. No.	Account Head	Subsidiary Companies (including step down subsidiary companies)		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel and/ or their relatives		Joint Venture		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
xvii)	**Dividend Paid**												
	Mr.Anmol Jain	-	-	-	10,088,208	-	-	-	-	-	-	-	10,088,208
	Mr.D.K.Jain	-	-	-	19,366,507	-	-	-	-	-	-	-	19,366,507
	Mr.Deepak Jain	-	-	-	-	-	10,701,428	-	-	-	-	-	10,701,428
	M` Usha Jain	-	-	-	-	-	5,425,430	-	-	-	-	-	5,425,430
	M`Shivani Jain	-	-	-	-	-	526,500	-	-	-	-	-	526,500
	D.K.Jain And FamilyTrust	-	-	-	-	-	-	-	477,243	-	-	-	477,243
	D.K.Jain And Sons (HUF)	-	-	-	-	-	-	-	13,817,361	-	-	-	13,817,361
	Lumax Finance Private Limited.	-	-	-	-	-	-	-	28,340,489	-	-	-	28,340,489
	Vardhman Agencies Private Limited	-	-	-	-	-	-	-	44,093	-	-	-	44,093
	Total (xvii)	-	-	-	**29,454,715**	-	**16,653,358**	-	**42,679,186**	-	-	-	**88,787,259**
xviii)	**Dividend Received**												
	Lumax Industries Limited	-	-	-	-	-	-	-	9,187,500	-	-	-	9,187,500
	Lumax DK Auto Industries Limited	-	42,403,130	-	-	-	-	-	-	-	-	-	42,403,130
	Lumax Mannoh Allied Technologies Limited	-	8,805,706	-	-	-	-	-	-	-	-	-	8,805,706
	Total (xviii)	-	**51,208,836**	-	-	-	-	-	**9,187,500**	-	-	-	**60,396,336**
B)	**Balances at the year end**												
i)	**Payables**												
	Bharat Enterprises	-	-	-	-	-	-	**2,588,964**	3,765,379	-	-	**2,588,964**	3,765,379
	Lumax Ancillary Limited	-	-	-	-	-	-	**92,310,685**	111,160,813	-	-	**92,310,685**	111,160,813
	Lumax DK Auto Industries Limited	**5,510,649**	13,784,448	-	-	-	-	-	-	-	-	**5,510,649**	13,784,448
	Lumax Industries Limited	-	-	-	-	-	-	**153,425,021**	176,225,759	-	-	**153,425,021**	176,225,759
	Lumax Tours & Travels Limited	-	-	-	-	-	-	**1,143,999**	-	-	-	**1,143,999**	-
	Lumax Mannoh Allied Technologies Limited	**(18,323)**	(54,393)	-	-	-	-	-	-	-	-	**(18,323)**	(54,393)
	Mahavir Udyog	-	-	-	-	-	-	**536,923**	98,852	-	-	**536,923**	98,852
	Lumax Management Services Private Limited	**3,311,721**	1,919,365	-	-	-	-	-	-	-	-	**3,311,721**	1,919,365
	Lumax Energy Solutions Private Limited	**(948,051)**	(360,642)	-	-	-	-	-	-	-	-	**(948,051)**	(360,642)
	Mr.Anmol Jain	-	-	-	434,999	-	-	-	-	-	-	-	434,999
	Mr.D.K.Jain	-	-	-	2,333,660	-	-	-	-	-	-	-	2,333,660
	Mr.Deepak Jain	-	-	-	-	**950,000**	2,874,746	-	-	-	-	**950,000**	2,874,746
	Mr. Ashish Dubey	-	-	**245,230**	254,198	-	-	-	-	-	-	**245,230**	254,198
	Ms. Swapnal Patane	-	-	**34,516**	37,502	-	-	-	-	-	-	**34,516**	37,502
	Total (i)	**7,855,995**	**15,288,778**	**279,746**	**3,060,359**	**950,000**	**2,874,746**	**250,005,592**	**291,250,802**	-	-	**259,091,333**	**312,474,685**

Amount in ₹

S. No.	Account Head	Subsidiary Companies (including step down subsidiary companies)		Key Management Personnel		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel and/ or their relatives		Joint Venture		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
ii)	**Receivables**												
	Mahavir Udyog	-	-	-	-	-	-	2,300	-	-	-	2,300	-
	Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	6,649,209	7,602,306	6,649,209	7,602,306
	Lumax Industries Limited	-	-	-	-	-	-	171,549,770	125,856,490	-	-	171,549,770	125,856,490
	Lumax DK Auto Industries Limited	17,829,617	23,722,893	-	-	-	-	-	-	-	-	17,829,617	23,722,893
	Lumax Tours & Travels Limited	-	-	-	-	-	-	-	1,252,859	-	-	-	1,252,859
	Lumax Ancillary Limited	-	-	-	-	-	-	9,851,884	12,421,769	-	-	9,851,884	12,421,769
	Lumax Mannoh Allied Technologies Limited	-	36,640	-	-	-	-	-	-	-	-	-	36,640
	Lumax Management Services Private Limited	-	-	-	-	-	-	-	-				
	Lumax Energy Solutions Private Limited.	24,076,210	16,836,801	-	-	-	-	-	-	-	-	24,076,210	16,836,801
	Total (ii)	**41,905,827**	**40,596,334**	-	-	-	-	**181,403,954**	**139,531,118**	**6,649,209**	**7,602,306**	**229,958,990**	**187,729,759**
iii)	**Investment**												
	Lumax Integrated Ventures Private Limited	5,129,400	1,049,400	-	-	-	-	-	-	-	-	5,129,400	1,049,400
	Lumax Gill-Austem Auto Technologies Private Limited	-	-	-	-	-	-	-	-	41,879,980	21,880,000	41,879,980	21,880,000
	Lumax Mannoh Allied Technologies Limited	250,947	250,947	-	-	-	-	-	-	-	-	250,947	250,947
	Lumax Industries Limited	-	-	-	-	-	-	193,783,106	193,783,106	-	-	193,783,106	193,783,106
	Lumax DK Auto Industries Limited	12,365,947	12,365,947	-	-	-	-	-	-	-	-	12,365,947	12,365,947
	Lumax Cornaglia Auto Technologies Private Limited	-	-	-	-	-	-	-	-	59,071,286	56,471,366	59,071,286	56,471,366
	Lumax Management Services Private Limited	41,334,938	-	-	-	-	-	-	-	-	-	41,334,938	-
	Total (iii)	**59,081,232**	**13,666,294**	-	-	-	-	**193,783,106**	**193,783,106**	**100,951,266**	**78,351,366**	**353,815,604**	**285,800,766**

* The Persons are covered under the Company's Group Gratuity Scheme along with other employees of the Company. The gratuity and leave liability is determined for all the employees on an overall basis, based on the actuarial valuation done by an independent actuary. The specific amount of gratuity and leave liability can not be ascertained separately, except for the amount actually paid.

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

39. Segment information

Business segment

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 segment

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.

40. Corporate Social Responsibility (CSR) expenditure

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
a)	Gross amount required to be spent by the Company during the year	**5,061,021**	5,466,738
b)	Amount spent during the year		
	i) Construction/ acquisition of any assets		
	ii) On purpose other than (i) above	**3,870,000**	4,100,000

41. Interest in joint venture Companies

Pursuant to Accounting Standard 27 on financial reporting of interests in joint ventures, the relevant information relating to the joint venture companies, is as given below.

Amount in ₹

Name of the Joint venture Companies	Country of Incorporation	Proportion of Ownership Interest
Lumax Cornaglia Auto Technologies Private Limited	India	50%
Lumax Gill - Austem Auto Technologies Private Limited	India	50%

Amount in ₹

Asset (Proportion of Company interest in joint venture)	As at March 31, 2017	As at March 31, 2016
Tangible assets	**93,574,793**	85,846,969
Intangible assets	**5,075,328**	1,056,013
Capital work-in-progress	**18,895,130**	12,028,990
Other non-current assets	**-**	592,067
Long-term loans and advances	**1,968,731**	1,732,823
Inventories	**74,429,035**	52,302,564
Trade receivables	**171,540,207**	91,736,726
Cash and bank balances	**10,300,979**	2,226,887
Short-term loans and advances	**28,668,536**	16,885,857

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2017

Amount in ₹

Liabilities (Proportion of Company's interest in joint venture)	As at March 31, 2017	As at March 31, 2016
Long-term borrowings	**9,000,000**	14,366,659
Deferred tax liabilities (Net)	**8,212,699**	7,952,060
Long term provisions	**692,007**	620,442
Short-term borrowings	**(37,147)**	31,996,617
Trade payables	**145,259,516**	79,348,417
Other current liabilities	**55,117,526**	10,780,585
Short-term provisions	**3,162,853**	1,272,873

Amount in ₹

Income (Proportion of Company's interest in joint venture)	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue from operations (Net of excise duty)	**603,235,630**	245,666,256
Other income	**756,657**	754,890

Amount in ₹

Expenditure (Proportion of Company's interest in joint venture)	For the year ended March 31, 2017	For the year ended March 31, 2016
Cost of materials consumed	**363,260,823**	138,946,242
Cost of moulds	**23,722,817**	30,490,243
Purchase of traded goods	**49,487,254**	8,758,513
(Increase) in inventories of finished goods, work-in-progress and traded goods	**(5,151,353)**	(2,493,272)
Employee benefits expense	**28,209,907**	18,480,177
Finance costs	**3,451,632**	1,953,896
Depreciation and amortization expenses	**13,885,724**	7,157,738
Other expenses	**65,950,113**	27,790,772
Provision for current and deferred tax	**18,771,233**	5,040,606

42. 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, 2017.

43. The Company has closed the operations of one of its unit at Aurangabad, due to lack of customer orders and created adequate provisions in books for incidental cost incurred/expected to incur related to the closure of the said plant. The company believes that the provision carried in the books is sufficient to cover any losses in relation to the closure of the plant. The labourers had filed a legal case against the company in that regard. The District Court has, recently, issued interim relief order to maintain status quo for the said plant.

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2017

44. The Company has entered into an agreement with Lumax Ancillary Limited to sell one of its unit at kala amb in slump sale basis on April 1, 2017. Accordigly WDV of fixed assets situated at KalaAmb are disclosed under current assets as " Assets held for sale" amounting to ₹ 709,792 as at Balance sheet date.

45. Details of the Specified Bank Notes (SBNs) held and transacted during the period from November 8, 2016 to December, 2016 is as under :

Particulars	SBNs	Other Denominations	Total (in ₹)
Cash in hand as on November 8, 2016	1,154,000	665,407	1,819,407
(+) Permitted receipts	-	1,172,887	1,172,887
(-) Permitted payments	-	1,337,310	1,337,310
(-) Amount deposited in Banks	1,154,000	-	1,154,000
Cash in hand as on December 30, 2016	-	500,984	500,984

46. Previous years figures have been reclassified/re-grouped wherever necessary, to confirm to this year's classification.

As per our report of even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No. 94421

Place : New Delhi
Date : May 15, 2017

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Lumax Auto Technologies Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Lumax Auto Technologies Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "Group") and its jointly controlled entities, comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and it's jointly controlled entities are in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group and it's jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 paragraph (a) of the Other Matters below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 and it's jointly controlled entities as at March 31, 2017, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, 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 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, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained

for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 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 jointly controlled companies, none of the directors of the Group and it's jointly controlled companies is disqualified as on March 31, 2017 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 Group and it's jointly controlled companies 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:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and it's jointly controlled entities – Refer Note 32 to the consolidated financial statements;

ii. The Group and it's jointly controlled entities did not have any material foreseeable losses in long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries and it's jointly controlled entities incorporated in India.

iv. The Group and it's jointly controlled entities incorporated in India, have provided requisite disclosures in Note 48 to these consolidated financial statements as to the holding of Specified Bank Notes (SBN's) on November 8, 2016 and December 30, 2016 as well as dealings in SBN's during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including SBN's, we report that these disclosures are in accordance with the books of accounts maintained by the Group including its jointly controlled entities and as produced to us by the Management of the Holding Company.

Other Matter

We did not audit the financial statements and other financial information, in respect of four subsidiaries, and two jointly controlled entities, whose financial statements include total assets of ₹ 3,020,462,513 and net assets of ₹ 2,020,605,064 as at March 31, 2017, and total revenues of ₹ 59,593,711 and net cash inflows of ₹ 59,488,021 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 financial statements also include the Company's share of net profit of ₹ 336,463,212 for the year ended March 31, 2017, as considered in the consolidated financial statements, in respect of four subsidiaries, and two jointly controlled entities, 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 financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and jointly controlled entities, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and jointly controlled entities, is based solely on the reports of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, 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.

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 15, 2017

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, 2017, 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 jointly controlled entities 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 Holding Company, its subsidiaries and jointly controlled entities 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 controls 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 jointly controlled entities 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, 2017, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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, in so far as it relates to the its subsidiaries and jointly controlled entities incorporated in India, is based on the corresponding report of the auditors of such, subsidiaries and jointly controlled entities incorporated in 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 15, 2017

CONSOLIDATED BALANCE SHEET

as at March 31, 2017

Amount in ₹

Particulars	Notes	As at March 31, 2017	As at March 31, 2016
Equity and liabilities			
Shareholders' funds			
Share capital	3	**136,315,410**	136,315,410
Reserves and surplus	4	**3,030,425,107**	2,688,994,002
		3,166,740,517	**2,825,309,412**
Minority Interest	5	**112,637,943**	65,780,830
Non-current liabilities			
Long-term borrowings	6	**23,117,021**	148,067,970
Deferred tax liabilities (net)	7(a)	**167,263,744**	172,271,694
Long term provisions	8	**70,205,731**	32,318,048
		260,586,496	**352,657,712**
Current liabilities			
Short-term borrowings	9	**231,261,405**	96,431,101
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	10	**28,779,441**	83,242,906
Total outstanding dues of creditors other than micro and small enterprises	10	**1,454,179,888**	1,538,906,067
Other current liabilities	11	**382,229,341**	394,318,346
Short-term provisions	8	**57,714,137**	27,296,847
		2,154,164,212	**2,140,195,267**
TOTAL		**5,694,129,168**	**5,383,943,221**
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipments	12 (a)	**2,432,289,302**	2,274,410,790
Intangible assets	12 (b)	**23,874,370**	19,991,859
Capital work-in-progress		**129,038,533**	50,280,621
Deferred tax assets (net)	7(b)	**11,460,631**	-
Non-current investments	13	**223,901,212**	223,901,212
Loans and advances	14	**61,512,038**	158,011,683
Other non-current assets	15	**53,124,894**	72,333,331
		2,935,200,980	**2,798,929,496**
Current assets			
Inventories	16	**539,025,302**	578,813,114
Trade receivables	17	**1,654,010,673**	1,763,733,379
Cash and bank balances	18	**411,844,837**	125,608,497
Loans and advances	14	**150,245,232**	112,915,920
Other current assets	15	**3,802,144**	3,942,815
		2,758,928,188	**2,585,013,725**
TOTAL		**5,694,129,168**	**5,383,943,221**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No. 94421

Place : New Delhi
Date : May 15, 2017

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 PROFIT AND LOSS

for the year ended March 31, 2017

Amount in ₹

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
Revenue from operations (gross)	19	**10,922,884,838**	9,788,462,814
Less: excise duty		**(799,720,008)**	(737,002,282)
Revenue from operations (net)		**10,123,164,830**	9,051,460,532
Other income	20	**156,411,520**	68,547,615
Total Revenue (I)		**10,279,576,350**	**9,120,008,147**
Expenses			
Cost of raw material and components consumed	21	**5,644,944,488**	4,756,591,923
Cost of moulds consumed	21.1	**44,633,321**	66,365,780
Purchases of traded goods	22	**1,606,958,822**	1,797,518,927
Decrease / (Increase) in inventories of finished goods, work-in-progress and traded goods	22	**40,997,718**	(37,553,686)
Employee benefits expense	23	**951,926,022**	782,080,170
Finance costs	24	**39,514,104**	47,389,135
Other expenses	25	**1,106,943,280**	980,386,441
Research and development expenses	26	**21,801,116**	22,356,190
Depreciation and amortization expenses	27	**239,450,702**	208,629,420
Exceptional items (net)	28	**31,911,368**	-
Total expenses (II)		**9,729,080,941**	**8,623,764,300**
Profit before tax (I-II)		**550,495,409**	**496,243,847**
Tax expense:			
Current Tax			
- Pertaining to profit for the current period		**153,403,140**	131,776,439
- Adjustment of tax relating to earlier years		**(537,981)**	(5,377,246)
Deferred Tax		**(4,917,611)**	14,662,996
Less: Mat Credit utilisation		**18,179,624**	13,489,194
		166,127,172	154,551,383
Profit after tax (before adjustment for share of minority interest)		**384,368,237**	**341,692,464**
Less : Minority interest		**(42,937,132)**	(24,031,464)
Profit for the year		**341,431,105**	**317,661,000**
Earning per equity share [Nominal value of share ₹ 10 (March 31, 2016 ₹ 10)			
Basic & diluted earning per equity share	**29**	**25.05**	**23.30**
Computed on the basis of total profit for the year			
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No. 94421

Place : New Delhi
Date : May 15, 2017

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 CASH FLOW STATEMENT

for the year ended March 31, 2017

Amount in ₹

	Particulars	Year ended March 31, 2017	Year ended March 31, 2016
A.	**Cash flow from operating activities :**		
	Profit before tax	**550,495,409**	496,243,847
	Adjustments for:		
	Depreciation and amortisation	**239,450,702**	208,629,420
	Bad debts written off	**1,792,765**	313,056
	Liabilities no longer required, written back	**(4,263,705)**	-
	Interest income	**(3,899,918)**	(1,221,323)
	Dividend income	**-**	(9,187,500)
	Interest expenses	**39,514,104**	47,389,135
	(Gain)/loss on sale of fixed assets	**445,851**	(1,791,492)
	Operating profit before working capital changes	**823,535,208**	**740,375,143**
	Movement in working capital		
	Decrease/ (increase) in inventories	**39,787,812**	(109,670,118)
	Decrease/ (increase) in trade receivables	**107,929,941**	(375,809,100)
	(Decrease)/ increase in trade payables and other current liabilities	**(143,089,427)**	412,080,716
	Increase in other current assets	**(709,792)**	-
	Increase in loans and advances	**(48,411,426)**	(40,400,285)
	Increase in provisions	**59,684,973**	3,762,982
	Cash generated from operations	**838,727,289**	630,339,338
	Direct taxes paid	**(163,850,561)**	(138,912,004)
	Net cash generated from operating activities	**674,876,728**	**491,427,334**
B.	**Cash flow from Investing Activities**		
	Purchase of fixed assets (including capital advances and CWIP)	**(413,991,440)**	(320,192,345)
	Proceeds from sales of fixed Assets	**22,098,322**	20,341,857
	Investment in unquoted equity	**-**	(30,117,106)
	Dividend received	**-**	9,187,500
	Interest received	**4,750,381**	5,319,525
	Investment in Bank deposits	**(177,566,406)**	(1,680,949)
	Net cash used in investing activities	**(564,709,143)**	**(317,141,518)**
C.	**Cash Flow from Financing Activities**		
	Repayment of long term borrowing	**(96,779,771)**	(121,085,821)
	Proceeds from short term borrowing (net)	**134,830,304**	67,632,801
	Interest Paid	**(39,514,104)**	(46,210,462)
	Dividend Paid (including dividend distribution tax)	**(1,690,083)**	(128,450,606)
	Capital incentive received	**-**	1,830,000
	Net cash used in financing activities	**(3,153,654)**	**(226,284,088)**
	Net (decrease)/ increase in cash & cash equivalents (A+B+C)	**107,013,931**	**(51,998,271)**
	Cash and cash equivalents at the beginning of the year	**113,715,318**	165,713,589
	Cash and cash equivalents at the end of the year	**220,729,249**	113,715,318

Amount in ₹

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Components of cash and cash equivalents		
Cash on hand	**1,353,738**	2,349,267
With banks		
- on current accounts	**209,403,924**	77,876,898
- on cash credit accounts	**9,020,006**	32,258,191
- Cheques, drafts on hand	**-**	100,000
- on unpaid dividend account*	**951,581**	1,130,962
Total cash and cash equivalent (refer note 18)	**220,729,249**	**113,715,318**

(a) The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard 3 – Cash Flow Statements as specified in accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016.

* The Company can utilize these balances only toward settlement of the respective unpaid dividend liabilities.

As per our report of even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No. 94421

Place : New Delhi
Date : May 15, 2017

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, 2017

1. Corporate Information

1.1 Background of the Company

The consolidated financial statements relates to Lumax Auto Technologies Limited ("Holding Company"), its subsidiary companies (hereinafter referred as the "Group") and its jointly controlled entities. The Group and its jointly controlled entities are engaged in trading and manufacturing of automotive components.

1.2 Basis of Preparation

The Consolidated Financial Statements (CFS) of the Group and its jointly controlled entities have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016.The Financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of Financial Statements are consistent of those previous year, except for the change in accounting policies explained below.

Principles of Consolidation

In the preparation of these Consolidated Financial Statements, investment in Subsidiaries and Joint Ventures have been accounted for in accordance with Accounting Standard (AS) 21, Consolidated Financial Statements, and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures. The Consolidated Financial Statements have been prepared on the following basis:

i) Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits and losses, except where cost cannot be recovered.

ii) Interest in the assets, liabilities, income and expenses of the joint venture are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profits / losses are eliminated to the extent of Parent Company's proportionate share.

iii) The difference of the cost to the Parent Company of its investment in subsidiaries and joint ventures over its proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.

iv) Minorities' interest in net profit of consolidated subsidiaries for the year is identified adjusted against the income in order to arrive at the net income attributable to the shareholders of the Parent Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the Parent Company.

v) As far as possible, the CFS have been prepared using uniform accounting policies like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Company's standalone financial statements. Differences in accounting policies have been disclosed separately, if any.

vi) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

vii) The particulars of subsidiary companies, which are included in consolidation and the Parent Company's holding therein, are as under:

Particulars	Country of Incorporation	Percentage Holding As at March 31, 2017	Percentage Holding As at March 31, 2016
Lumax DK Auto Industries Ltd.	India	**100%**	100%
Lumax Integrated Ventures Private Limited	India	**100%**	100%
Lumax Mannoh Allied Technologies Private. Limited	India	**55%**	55%
Lumax Management Services Private Limited	India	**100%**	N/A

viii) The particulars of jointly controlled entities, which are included in consolidation and the Parent Company's holding therein, are as under:

Particulars	Country of Incorporation	Percentage Holding As at March 31, 2017	Percentage Holding As at March 31, 2016
Lumax Gill-Austem Auto Technologies Private Limited	India	**50%**	50%
Lumax Cornaglia Auto Technologies Private Limited	India	**50%**	50%

ix) Step down Subsidiaries which are included in consolidation in the Lumax Integrated Venture Private Limited therein, are as under :

Particulars	Country of Incorporation	Percentage Holding As at March 31, 2017	Percentage Holding As at March 31, 2016
Lumax Energy Solutions Private Limited	India	**100%**	100%
Velomax Mobility Private Limited	India	**100%**	N/A
Lumax Sipal Engineering Private Limited	India	**51%**	51%

x) Minorities' interest in net profit of consolidated subsidiaries for the year has been identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Parent Company. Their share of net assets has been identified and presented in the Consolidated Balance Sheet separately.

2 Changes in Accounting Policy

As per the requirements of pre-revised AS 4 (Accounting Standard 4), the Group and its jointly controlled entities used to create a liability for dividend proposed/ declared after the balance sheet date if dividend is related to periods covered by the financial statements. As per AS 4(R) [Accounting Standard 4 (revised)], the Group and its jointly controlled entities, cannot create provision for dividend proposed/ declared after the balance sheet date unless a statute requires otherwise. Rather, Group and its jointly controlled entities will need to disclose the same in notes to the financial statements.

Accordingly, the Group and its jointly controlled entities has disclosed dividend proposed by board of directors after the balance sheet date in the notes to the financial statements.

Had the Group and its jointly controlled entities continued with creation of provision for proposed dividend, its surplus in the statement of profit and loss account would have been lower by ₹ 96,352,330 and current provision would have been higher by ₹ 96,352,330 (including dividend distribution tax of ₹ 18,971,109).

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates

are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in notes to the financial statements.

b. Property plant and equipment

Property plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment of losses, if any.The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of Property, plant & equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as Inventories.

Gains or losses arising from de-recognition of Property, plant & equipment 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 de-recognized.

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.

c. Depreciation on Property plant and equipment's

Lease hold land is amortised on a straight line basis over the period of lease. Cost of lease hold improvements on Property, plant & equipment are amortised over period of lease or their use for lives which ever is shorter.

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at, based on the useful lives estimated by the management. 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 remaining components of the assets. The company has used the following rates to provide depreciation on its tangible fixed assets.

Assets	Useful Lives estimated by the management (years)
Factory Building	30
Other Building	30 to 60
Computers	3
Office equipment's	5
Furniture and fixtures	10
Vehicles	8

The management has estimated, supported by independent assessment by professionals, the useful life of the following class of asset, which are higher than that indicated in Schedule II.

Assets	Useful Lives estimated by the management (years)
Plant and Machineries	21
Moulds	9

The residual value of property, plant and equipment is considered at 2%.

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d. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment of losses, if any. 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.

Intangibles assets are amortized using straight-line method over their estimated useful lives as follows:

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 de-recognized.

e. Goodwill / capital reserve on consolidation

Goodwill / capital reserve represents the difference between the Group's share in the net worth of the investee Company and the cost of acquisition at the time of making the investment in the investee company. For this purpose, the Group's share of net worth of the subsidiary company is determined on the basis of the latest financial statements of the subsidiary companies and joint ventures prior to acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

f. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i) Sale of goods

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

ii) Income from services

Revenue in respect of sale of services are recognized on an accrual basis in accordance with the terms of the relevant agreements/arrangements. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

iii) Interest

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

iv) Dividends

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

v) Subsidy Income

Subsidy from the District industrial Centre (under the Package Incentive Scheme 2007) is accounted based on eligibility certificate received and in proportion to the sales made during the year in line with the policy.

vi) Export Entitlements in the form of Duty Drawback, Duty Entitlement Pass Book (DEPB) and other schemes are recognized in the Statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

g. Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

h. Investments

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

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

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.

i. Inventories

Raw materials, components, stores and spares (including packing material) are valued at lower

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a moving weighted average basis.

Items of stores and spares that meet the definition of Property, plant & equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on moving weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a moving weighted average basis.

Scraps are valued at net realisable value

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

j. Foreign currency transactions

i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

iii) Exchange differences

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. The Company treats a foreign monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with Ministry of Corporate Affairs circular dated August 09, 2012, exchange differences for this purpose are total differences arising on long-term foreign currency monetary items for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

iv) Forward exchange Contracts

The premium or discount - arising at the inception of forward Contract is amortised and recognised as on expenses/income over the Contract. Exchange differences on such Contracts are recognised in Statement of Profit & Loss in the period in which exchange rates change. Any Profit or Loss arising on cancellation or renewal of such forward Contract is also recognised as income or expenses for the period.

k. Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the

reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.

l. Leases

Where the Company is lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property , plant and equipments. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs, such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

m. Retirement and other employee benefits

i) 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 expenditure, 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, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

ii) 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.

iii) 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.

iv) 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. Actuarial gains/losses are immediately taken to the statement of profit and loss, and are not deferred. .

n. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

o. Income taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

accordance with the Indian Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

In the situations where the company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the company restricts recognition of deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company 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 Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

p. Cash and cash equivalents

Cash and cash equivalents in the Cash Flow Statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

q. 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 operate.

Inter-segment transfers

The company generally accounts for inter-segment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

s. Borrowing costs

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

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

t. Government grant and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Group and it's jointly controlled entities will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

u. Accounting for proposed dividend

As per the requirements of pre-revised AS 4, the Company used to create a liability for dividend proposed/ declared after the balance sheet date if dividend related to periods covered by the financial statements. Going forward, as per AS 4(R), the company cannot create provision for dividend proposed/ declared after the balance sheet date unless a statute requires otherwise. Rather, company will need to disclose the same in notes to the financial statements. Accordingly, the company has disclosed dividend proposed by board of directors after the balance sheet date in the notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

3 Share Capital

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Equity Share Capital		
Authorised shares		
15,000,000 (March 31, 2016 : 15,000,000) equity shares of ₹ 10 each	**150,000,000**	150,000,000
Issued, Subscribed and fully Paid-up :	**136,315,410**	136,315,410
13,631,541 (March 31 , 2016 : 13,631,541) equity shares of ₹ 10 each		
	136,315,410	**136,315,410**

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2017		As at March 31, 2016	
	No.	Amount	No.	Amount
At the beginning of the year	**13,631,541**	**136,315,410**	13,631,541	136,315,410
Issued during the year	**-**	**-**	-	-
Outstanding at the end of the year	**13,631,541**	**136,315,410**	13,631,541	136,315,410

(b) Terms/rights attached to equity shares

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

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2017		As at March 31, 2016	
	No of Shares	Holding (%)	No of Shares	Holding (%)
Equity Share of ₹ 10 each fully paid				
Dhanesh Kumar Jain	**1,655,257**	**12.14**	1,655,257	12.14
Lumax Finance Private Limited	**2,422,264**	**17.77**	2,422,264	17.77
Albula Investment Fund Ltd.	**1,231,627**	**9.04**	1,231,627	9.04
D. K. Jain & Sons (HUF)	**1,180,971**	**8.66**	1,180,971	8.66
Deepak Jain	**914,652**	**6.71**	914,652	6.71
Anmol Jain	**862,240**	**6.33**	862,240	6.33

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(d) Proposed dividend on Equity shares:

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
The board of respective entities has proposed dividend on equity shares after the balance sheet date		
Holding Company:		
Proposed dividend on equity shares for the year ended March 31, 2017: ₹ 4.70 per share (March 31, 2016: ₹ Nil.)	**64,068,243**	-
Subsidiary Company: (45% Share) of LMAT		
Proposed dividend on equity shares for the year ended March 31, 2017: ₹ 8.50 per share (March 31, 2016: ₹ Nil.)	**13,312,978**	-
	77,381,221	-
Dividend distribution tax on proposed dividend (Net)	**18,971,109**	-
	96,352,330	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

4 Reserves and surplus

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Capital reserve			
Balance as per last financial statements		**28,932,010**	27,102,010
Add: Addition during the year *		-	1,830,000
	(A)	**28,932,010**	**28,932,010**
Securities premium Account	**(B)**	**452,854,525**	**452,854,525**
General reserve			
Balance as per last financial statements		**172,640,000**	147,240,000
Add : amount transferred from surplus in statement of profit and loss during the year		-	25,400,000
Closing balance	**(C)**	**172,640,000**	**172,640,000**
Surplus in statement of profit and Loss			
Balance as per last financial statements		**2,034,567,467**	1,827,448,897
Add: Profit for the year		**341,431,105**	317,661,000
Add: Excess of assets over liabilities of undertaking demerged / acquired		-	93,510
Less: Appropriations			
Transfer to general reserve		-	(25,400,000)
Interim / final equity dividend : Nil (March 31 , 2016 ₹ 4.70) per Share **		-	(71,272,915)
Tax on proposed final equity dividend		-	(13,963,025)
	(D)	**2,375,998,572**	**2,034,567,467**
		3,030,425,107	**2,688,994,002**

* The Holding Company has received subsidy amounting to ₹ Nil (March 31 , 2016 : ₹ 1,830,000) from Government of Maharashtra in order to encourage the dispersal of industries to the less developed areas of the State, to achieve higher and sustainable economic growth with emphasis on balanced Regional Development and Employment Generation through greater Private and Public Investment in industrial development.

5 Minority interest

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Minority interest (45% share of Lumax Mannoh Allied Technologies Limited)	**112,637,943**	65,780,830
	112,637,943	**65,780,830**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

6 Long-term borrowings

Amount in ₹

Particulars	Non current portion		Current maturities	
	As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Term Loans:				
Indian rupee loan from banks (secured) *	**9,000,000**	139,366,659	**147,923,750**	125,000,000
Vehicle loan from banks (secured) **	**13,060,540**	6,616,241	**11,932,787**	6,774,387
(A)	**22,060,540**	**145,982,900**	**159,856,537**	**131,774,387**
Other loans				
Deferred sales tax loan (unsecured) ***	**1,056,481**	2,085,070	**1,028,590**	939,562
(B)	**1,056,481**	**2,085,070**	**1,028,590**	**939,562**
Amount disclosed under the head "other current liabilities (note 11) **(C)**	-	-	**(160,885,127)**	(132,713,949)
(A+B-C)	**23,117,021**	**148,067,970**	-	-
The above amount includes				
Secured borrowings	**22,060,540**	145,982,900	**159,856,537**	131,774,387
Unsecured borrowings	**1,056,481**	2,085,070	**10,28,590**	939,562
	23,117,021	**148,067,970**	**160,885,127**	**132,713,949**

Loan taken by the Holding Company

* Indian rupee loan from banks, amounting to ₹ 125,000,000 (March 31 , 2016 : ₹ 250,000,000) taken in the Financial year 2012-13 carries interest @8.50% - 9.50% p.a. at present. The loan is repayable in 16 equal quarterly instalments of ₹ 31,250,000 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 Narsapur Hobli plant (Bangalore).

Loan taken by the Jointly Controlled entities

* The term loan in the books of jointly controlled entity (LGAT) amounting to ₹ 120,000,000 (March 31 , 2016 : Nil) is secured vide an exclusive charge on fixed assets and current assets of the Company - both present and future and carries interest @10.40% p.a. at present. The loan is repayable in 12 equal quarterly instalments of ₹ 1,000,000 after six months of moratorium period from the disbursement date i.e. from June 2017.

* The buyers credit in the books of jointly controlled entity (LGAT) amounting to ₹ 19,923,750 (March 31 , 2016 : ₹ 14,366,659) to is secured vide an exclusive charge on movable fixed assets and current assets of the Company - both present and future. The principal amount is repayable on May 5, 2017 and June 21, 2017.

**** Loan taken by the Group and it's Jointly Controlled entities**

Vehicle loan amounting to ₹ 24,993,327 (Previous year ₹ 13,390,628) taken from banks at interest @ 9.60% - 11.50% 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.

***** Loan taken by the Holding Company**

Deferred sales tax loan [amounting to ₹ 2,085,071 (March 31, 2016: ₹ 3,024,632)] 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

7a Deferred tax liabilities (net)

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Deferred tax liabilities			
Fixed assets : Impact of differences between tax depreciation and depreciation / amortization charged for the financial year		**206,839,577**	200,938,300
	(A)	**206,839,577**	**200,938,300**
Deferred tax assets			
Provision for doubtful debts and advances		**1,184,152**	1,239,486
Impact of expenditure charged to the statement of profit and loss in the current year / earlier years but allowable for tax purposes on payment basis.		**38,390,957**	13,487,124
Others		**724**	13,939,996
	(B)	**39,575,833**	**28,666,606**
	(A - B)	**167,263,744**	**172,271,694**

7b Deferred tax assets (net)

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred tax assets		
Impact of expenditure charged to the statement of profit and loss in the current year / earlier years but allowable for tax purposes on payment basis.	**11,433,054**	-
Fixed assets : Impact of differences between tax depreciation and depreciation / amortization charged for the financial year	**27,577**	-
	11,460,631	**-**

Note : Deferred tax assets and deferred tax liabilities of subsidiary companies and jointly controlled entitites are not set off against each other as the group and its jointly controlled entities does not have legal right to do so.

8 Provisions

Amount in ₹

Particulars	Long Term		Short Term	
	As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Provision for gratuity (refer note 30)	**42,690,610**	13,218,525	**25,605,172**	12,572,847
Provision for leave benefits	**27,515,121**	19,099,523	**16,098,721**	5,885,305
Other Provisions				
Provision for Tax on proposed dividend	-	-	-	1,510,702
Provision for income tax (net of advance tax)	-	-	**14,163,191**	4,032,489
Provision for excise duty payable on finished Goods	-	-	**1,847,053**	795,504
Provision for warranty claim*	-	-	-	2,500,000
	70,205,731	**32,318,048**	**57,714,137**	**27,296,847**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

*** Provision for warranty**

One of the subsidiary companies of the Holding Company recognises provision for warranties based on expected warranty claims on products sold during the year, which is based on past experience of the level of repairs and returns. Assumptions used to calculate the provision for warranties are based on current sales levels and current information available on all products sold. The table below gives information about movement in warranty provisions:

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Opening balance	**2,500,000**	-
Add : addition during the year	**-**	2,500,000
Less : Amount written back during the year	**(2,500,000)**	
Closing balance	**-**	**2,500,000**

9 Short term borrowings

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Loans repayable on demand from banks		
Unsecured		
Bill discounting facility *	**31,261,405**	64,434,484
Secured		
Working capital loan repayable on demand **	**100,000,000**	8,319,893
Loans repayable on demand from Others		
Unsecured		
Working capital loan repayable on demand ***	**100,000,000**	23,676,724
	231,261,405	**96,431,101**

Loan taken by the Holding Company

*Bill discounting facility from bank which is generally repayable on 90 days from respective drawdown & carries interest ranging between 10%-12% p.a.

**Working capital loan taken from bank which is secured against stock and debtors and carries interest at 10.50%.

***Working capital loan from financial institutions is generally repayable on 90 days from respective drawdown and carries interest ranging between 8.50% - 9.50% p.a.

10 Trade Payables

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Payables		
-Total outstanding dues of micro enterprise and small enterprise (Refer note 43)	**28,779,441**	83,242,906
-Total outstanding dues of creditors other than micro enterprise and small enterprise	**1,454,179,888**	1,538,906,067
	1,482,959,329	**1,622,148,973**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

11 Other Current Liabilities

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Current maturities of long term borrowing (note 6)	**159,856,537**	131,774,387
Current maturities of other loans (note 6)	**1,028,590**	939,562
Investor Education and Protection fund will be credited by following amounts (as and when due) *		
Unpaid dividend	**951,581**	1,130,962
Advance from customers (repayable on demand)	**44,936,198**	31,629,002
Unsecured deposits from customers	**42,792,441**	38,105,500
Provision for contingencies **	**59,585,152**	64,616,198
Statutory dues payable		
Value added tax	**24,727,333**	28,348,688
Tax deducted at source	**14,042,430**	9,964,040
Others	**15,432,758**	7,509,780
Payable for capital goods	**13,203,459**	41,200,792
Others	**5,672,862**	39,099,435
	382,229,341	**394,318,346**

*Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. Accordingly, the Holding Company has transferred / paid ₹179,381 (March 31 , 2016: ₹ 42,828) during the current year to the Investor Education and Protection Fund.

**Other liabilities (net) represents amount towards rate difference payable to customers net off amount receivable from customers in respect of price increase not yet debited.

12a Property, plant and equipments

Amount in ₹

Particulars	Land		Buildings		Plant and Machinery	Furniture and Fixture	Office Equipments	Vehicle	Computers	Tangible R & D					Total
	Freehold	Leasehold	Factory	Non Factory						Plant & Machinery	Furniture & Fixture	Vehicle	Computer	Office Equipment	
Gross Block															
As at April 1, 2015	**89,749,176**	**128,303,023**	**539,637,910**	**181,167,024**	**1,897,620,775**	**29,258,441**	**25,167,835**	**47,344,533**	**32,487,872**	**17,139,294**	**4,648,830**	**967,779**	**2,196,004**	**3,252,167**	**2,998,940,663**
Additions	-	302,089	1,485,673	1,762,458	251,444,757	3,806,745	4,896,598	13,428,691	10,338,728	4,499,330	-	-	214,182	879,551	293,058,802
Deductions	-	-	-	-	(41,272,895)	-	(273,037)	(6,370,368)	(1,190,750)	-	-	-	-	-	(49,107,050)
As at March 31, 2016	**89,749,176**	**128,605,112**	**541,123,583**	**182,929,482**	**2,107,792,637**	**33,065,186**	**29,791,396**	**54,402,856**	**41,635,850**	**21,638,624**	**4,648,830**	**967,779**	**2,410,186**	**4,131,718**	**3,242,892,415**
As at April 1, 2016	**89,749,176**	**128,605,112**	**541,123,583**	**182,929,482**	**2,107,792,637**	**33,065,186**	**29,791,396**	**54,402,856**	**41,635,850**	**21,638,624**	**4,648,830**	**967,779**	**2,410,186**	**4,131,718**	**3,242,892,415**
Additions	3,054,446	274,887	6,674,046	85,566,548	188,905,571	9,278,682	9,804,602	33,316,330	5,106,275	1,913,551	1,147,500	616,390	118,580	-	345,777,408
Deductions	-	-	-	-	(24,942,570)	(9,375)	-	(7,745,966)	(93,125)	-	-	(557,779)	-	-	(33,348,815)
Fixed assets held for sale	-	-	-	-	(1,049,952)	-	-	-	-	-	-	-	-	-	(1,049,952)
Acquisitions adjustments	46,324,758	-	-	-	-	-	-	22,304,562	2,960,779	-	-	-	-	-	71,590,099
As at March 31, 2017	**139,128,380**	**128,879,999**	**547,797,629**	**268,496,030**	**2,270,705,686**	**42,334,493**	**39,595,998**	**102,277,782**	**49,609,779**	**23,552,175**	**5,796,330**	**1,026,390**	**2,528,766**	**4,131,718**	**3,625,861,155**
Depreciation															
As at April 1, 2015	-	5,142,860	86,086,331	20,197,125	611,604,866	12,276,354	13,303,464	17,033,904	24,353,370	3,267,272	1,563,121	549,926	1,928,080	1,761,738	799,068,411
For the year	-	957,954	18,173,259	5,932,099	149,294,052	2,902,863	5,248,754	9,146,804	5,356,934	870,096	666,682	80,360	179,662	1,160,443	199,969,962
Deductions	-	-	-	-	(26,130,269)	(11,266)	(222,723)	(3,271,954)	(920,536)	-	-	-	-	-	(30,556,748)
As at March 31, 2016	**-**	**6,100,814**	**104,259,590**	**26,129,224**	**734,768,649**	**15,167,951**	**18,329,495**	**22,908,754**	**28,789,768**	**4,137,368**	**2,229,803**	**630,286**	**2,107,742**	**2,922,181**	**968,481,625**
As at April 1, 2016	**-**	**6,100,814**	**104,259,590**	**26,129,224**	**734,768,649**	**15,167,951**	**18,329,495**	**22,908,754**	**28,789,768**	**4,137,368**	**2,229,803**	**630,286**	**2,107,742**	**2,922,181**	**968,481,625**
For the year	-	871,439	18,281,557	5,943,655	172,000,791	3,438,212	5,894,910	13,508,797	7,162,381	1,110,179	776,364	107,494	120,802	246,949	229,463,530
Deductions	-	-	-	-	(4,613,903)	(9,375)	-	(5,580,066)	(54,675)	-	-	(546,624)	-	-	(10,804,643)
Fixed assets held for sale	-	-	-	-	(340,160)	-	-	-	-	-	-	-	-	-	(340,160)
Acquisitions adjustments	-	-	-	-	-	-	-	2,808,912	765,442	-	-	-	-	-	3,574,354
Adjustment-current year depreciation	-	-	-	-	-	16	929	2,447,876	748,323	-	-	-	-	-	3,197,144
As at March 31, 2017	**-**	**6,972,253**	**122,541,147**	**32,072,879**	**901,815,377**	**18,596,804**	**24,225,334**	**36,094,273**	**37,411,238**	**5,247,547**	**3,006,167**	**191,156**	**2,228,544**	**3,169,130**	**1,193,571,849**
Net Block															
As at March 31, 2016	89,749,176	122,504,298	436,863,993	156,800,258	1,373,023,988	17,897,235	11,461,901	31,494,102	12,846,082	17,501,256	2,419,027	337,493	302,444	1,209,537	2,274,410,790
As at March 31, 2017	**139,128,380**	**121,907,746**	**425,256,482**	**236,423,151**	**1,368,890,305**	**23,737,689**	**15,370,664**	**66,183,509**	**12,198,541**	**18,304,628**	**2,790,163**	**835,234**	**300,222**	**962,588**	**2,432,289,302**

Notes :

1. Building (non factory) having gross block of ₹ 85,180,476 (March 31, 2016 : nil) is yet to be registered in the name of Holding company.
2. Adjustment to plant and machinery includes machinery having Gross block of ₹ 1,049,952 (March 31, 2016 : nil) and accumulated depreciation of ₹ 340,160 (March 31, 2016 : nil) transferred to "Assets held for sale" during the year (note 46)
3. Acquisition adjustments represents assets acquired during acquisition of subsidiary company i.e. Lumax Management Services Private Limited during the current year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

12b Intangible Fixed Assets

Amount in ₹

Particulars	Technical Know How	Computer Software	Computer Software (R&D)	Goodwill	Total
Gross Block					
As at April 1, 2015	16,336,908	29,077,799	14,545,201	-	59,959,908
Additions	-	12,178,070	840,410	-	13,018,480
As at March 31, 2016	**16,336,908**	**41,255,869**	**15,385,611**	**-**	**72,978,388**
As at April 1, 2016	16,336,908	41,255,869	15,385,611	-	72,978,388
Additions	3,982,581	8,194,664	90,820	1,664,121	13,932,186
Acquisitions adjustments	-	47,049	-	-	47,049
As at March 31, 2017	**20,319,489**	**49,497,582**	**15,476,431**	**1,664,121**	**86,957,623**
Amortisation					
As at April 1, 2015	13,240,573	16,948,570	14,137,928	-	44,327,071
For the year	974,448	7,253,237	431,773	-	8,659,458
As at March 31, 2016	**14,215,021**	**24,201,807**	**14,569,701**	**-**	**52,986,529**
As at April 1, 2016	14,215,021	24,201,807	14,569,701	-	52,986,529
For the year	1,016,936	8,568,075	402,161	-	9,987,172
Acquisitions adjustments	-	2,378	-	-	2,378
Adjustment-current year	-	107,174	-	-	107,174
As at March 31, 2017	15,231,957	32,879,434	14,971,862	-	63,083,253
Net Block					
As at March 31, 2016	**2,121,887**	**17,054,062**	**815,910**	**-**	**19,991,859**
As at March 31, 2017	**5,087,532**	**16,618,148**	**504,569**	**1,664,121**	**23,874,370**

Note: Acquisition adjustments represent assets acquired during acquisition of subsidiary company i.e. Lumax Management Services Private Limited during the current year.

13 Non-Current Investments

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Trade investments		
Unquoted equity investments		
Lumax Ancillary Limited		
300,420 Shares, (March 31 , 2016 : 300,420) equity shares of face value ₹ 10 fully paid.	**30,117,106**	30,117,106
Shares of Rupee co-op bank limited	**1,000**	1,000
20 (previous year - 20) Equity shares of ₹ 50/- each fully paid-up		
Quoted equity investments		
Lumax Industries Limited 525,000 (March 31, 2016 - 525,000) equity shares of ₹10 each fully paid up.	**193,783,106**	193,783,106
	223,901,212	**223,901,212**
Aggregate cost of unquoted investments	**30,118,106**	30,118,106
Aggregate cost of quoted investments	**193,783,106**	193,783,106
Aggregate market value of quoted investments	**724,158,750**	220,342,500

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

14 Loans and advances

Amount in ₹

Particulars	Non-current		Current	
	As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Capital Advances				
Unsecured, considered good	**13,596,544**	130,116,247	-	-
(A)	**13,596,544**	**130,116,247**		
Security Deposits				
Unsecured, considered good	**25,246,139**	20,522,926	**1,136,400**	921,400
Unsecured considered doubtful	**500,000**	500,000	-	-
Provision for bad and doubtful deposits	**(500,000)**	(500,000)	-	-
(B)	**25,246,139**	**20,522,926**	**1,136,400**	**921,400**
Loan & Advance to related parties				
Unsecured, considered good	-	-	-	296,690
Advance recoverable in cash or in kind				
Advance to suppliers	-	-	**75,369,788**	43,986,503
Others	-	-	-	2,766,511
Other loans and advances				
Advance income tax	**15,929,363**	6,991,419	-	-
Balances with government authorities	**6,657,333**	381,091	**49,050,704**	45,869,112
Prepaid expenses	**82,659**	-	**9,495,584**	7,336,610
Advance to employees	-	-	**5,729,494**	8,084,432
Others	-	-	**9,463,262**	3,654,662
(C)	**22,669,355**	**7,372,510**	**149,108,832**	**111,994,520**
(A+B+C)	**61,512,038**	**158,011,683**	**150,245,232**	**112,915,920**

* Balance with government authorities includes the amount of subsidy claim receivable from the Government on the capital investments made by the Holding Company in the state of Marharashtra.

15 Other assets

Amount in ₹

Particulars	As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Unsecured considered good				
Non - current bank balances (note 18) *	**50,000**	1,706,003	-	-
Deposit under protest	**77,557**	77,557	-	-
MAT credit entitlement	**52,997,337**	70,549,771	-	-
Interest receivable on fixed deposit	-	-	**2,879,452**	3,729,915
Fixed assets held for sale (refer note 46)	-	-	**922,692**	212,900
	53,124,894	**72,333,331**	**3,802,144**	**3,942,815**

* Non-current balance include :

₹ 50,000 (March 31, 2016 - ₹ 50,000) is deposited towards guarantee in sales tax authorities by the Holding Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

16 Inventories (valued at lower of cost and net realisable value)

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Raw materials and components (including goods in transit ₹ 8,453,011 (March 31 , 2016 : ₹ 4,783,316) (refer note 21)"	**228,903,585**	232,045,648
Work-in-progress	**25,598,993**	21,018,354
Finished goods	**67,012,443**	55,283,612
Traded goods	**123,427,576**	180,734,764
Others		
- Packing material	**7,265,556**	13,027,617
- Consumables	**19,300,302**	19,010,864
- Mould & dies	**65,139,761**	56,898,481
- Stores and spares	**2,377,086**	793,774
	539,025,302	**578,813,114**

17 Trade Receivables

Amount in ₹

Particulars		As at March 31, 2017	As at March 31, 2016
Outstanding for a period exceeding six months from the date they are due for payment:			
Secured, considered good		**600,000**	575,000
Unsecured, considered good		**14,828,667**	16,373,926
Unsecured, considered doubtful		**5,095,638**	4,591,575
		20,524,305	21,540,501
Less : Provision for doubtful receivables		**(5,095,638)**	(4,591,575)
	(A)	**15,428,667**	**16,948,926**
Other debts			
Secured, considered good		**34,520,500**	35,170,500
Unsecured, Considered good		**1,604,061,506**	1,711,613,953
	(B)	**1,638,582,006**	1,746,784,453
	(A+B)	**1,654,010,673**	**1,763,733,379**

18 Cash and Bank Balances

Amount in ₹

Particulars	Non-Current		Current	
	As At March 31, 2017	As At March 31, 2016	As At March 31, 2017	As At March 31, 2016
Cash and cash equivalents				
- in Current accounts	-	-	**209,403,924**	77,876,898
- in Cash credit account	-	-	**9,020,006**	32,258,191
- Cheques, drafts in hand	-	-	-	100,000
- in unpaid dividend account*	-	-	**951,581**	1,130,962
Cash on hand	-	-	**1,353,738**	2,349,267
(A)	-	-	**220,729,249**	**113,715,318**
Other bank balances				
- Deposits with original maturity greater than 3 months but less than 12 months	-	-	**191,115,588**	11,893,179
- Deposits with original maturity for more than 12 months	**50,000**	1,706,003	-	-
Less : Amount disclosed under non current assets (note 15)	**(50,000)**	(1,706,003)	-	-
(B)	-	-	**191,115,588**	**11,893,179**
(A+B)	-	-	**411,844,837**	**125,608,497**

*The Company can utilize the balance only towards settlement of unclaimed dividend.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

19 Revenue from Operations

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Sale of products		
Finished goods	**8,562,839,934**	7,255,159,677
Traded goods	**2,184,622,825**	2,327,240,556
Sale of Services		
Labour charges	-	1,886,785
Other operating revenues		
- Scrap sale	**8,085,133**	8,546,202
- Die and tools	**112,229,304**	159,497,907
- Others	**55,107,642**	36,131,687
Revenue from operations (Gross)	**10,922,884,838**	**9,788,462,814**
Less : Excise duty *	**(799,720,008)**	(737,002,282)
Revenue from Operations (Net)	**10,123,164,830**	**9,051,460,532**

* Excise duty on sales amounting to ₹ 799,720,008 (March 31, 2016: ₹ 737,002,282) has been reduced from sales in statement of profit and loss and excise duty on decrease in inventory amounting to ₹ 11,029 (March 31, 2016: ₹ 1,276,596) has been considered as expenses in note 25 of financial statements.

Details of product sold (net of excise duty)

Particulars		Year Ended March 31, 2017	Year Ended March 31, 2016
Finished Goods Sold			
Head Lamp / tail Lamp		**2,500,142,671**	2,071,789,327
Plastic moulded Items		**1,270,234,277**	1,347,647,180
Metal Chassis		**722,829,223**	850,476,152
Adjustor Motor		**659,150,239**	678,030,625
Gear Shifter Assembly		**752,744,703**	509,064,640
Others		**1,914,003,965**	1,036,857,508
	(A)	**7,819,105,078**	**6,493,865,432**
Traded Goods Sold			
Head Lamp / tail lamp		**1,209,796,950**	1,318,643,540
Metal Frames		**219,408,716**	167,533,867
Others		**718,923,349**	892,318,697
	(B)	**2,148,129,015**	**2,378,496,104**
Others			
Labour charges		-	1,886,785
Scrap sales		**7,186,785**	7,594,835
Die and Tools		**99,759,381**	123,291,781
Others		**48,984,571**	46,325,595
	(C)	**155,930,737**	**179,098,996**
	Total (A+B+C)	**10,123,164,830**	**9,051,460,532**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

20 Other Income

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest income		
- on bank deposits	**2,931,607**	2,705,820
- on others	**968,311**	1,484,497
Dividend Income - long term investments	**-**	9,187,500
Other non-operating income (net of expenses directly attributable to such income)		
Discount received	**1,115,899**	1,937,894
Liabilities no longer required, written back	**4,263,705**	-
Tools development cost received	**15,710,856**	254,316
Rent received	**21,819,000**	13,310,000
Miscellaneous income	**109,602,142**	39,667,588
	156,411,520	**68,547,615**

21 Cost of raw material and components consumed

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Inventory at the beginning of the year	**232,045,648**	213,299,283
Add : Purchases	**5,641,802,425**	4,775,338,288
Less : Inventory at the end of the year	**228,903,585**	232,045,648
	5,644,944,488	**4,756,591,923**

Details of imported and indigenous raw materials, components and spare parts consumed

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Imported	**389,642,103**	142,604,892
Indigenous	**5,255,302,385**	4,613,987,031
Total	**5,644,944,488**	**4,756,591,923**
% Distribution		
Imported	**7%**	3%
Indigenous	**93%**	97%
	100%	**100%**

Details of raw material and components consumed

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Lighting Components	**1,367,538,365**	1,147,440,961
Plastic moulded Items	**1,196,187,591**	1,239,482,520
Steel sheets / tubes	**494,806,751**	628,199,069
Adjustor Motor Components	**538,988,205**	572,664,400
Gear Shifter Components	**698,279,834**	461,649,463
Others	**1,349,143,742**	707,155,510
	5,644,944,488	**4,756,591,923**

Detail of inventory

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Lighting Components	**106,378,693**	83,831,211
Plastic granuals	**26,170,331**	28,641,260
Steel sheet / tubes	**7,289,841**	9,778,615
others	**89,064,720**	109,794,562
Total	**228,903,585**	**232,045,648**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

21.1 Cost of moulds consumed

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Inventory at the beginning of the year	**56,898,481**	13,261,446
Add : Purchases	**52,874,601**	110,002,815
Less : Inventory at the end of the year	**65,139,761**	56,898,481
	44,633,321	**66,365,780**

22 Decrease / (Increase) in inventories of finished goods, work-in-progress and traded goods

Amount in ₹

Particulars		Year Ended March 31, 2017	Year Ended March 31, 2016
Inventories at the end of the year:			
Finished goods		**67,012,443**	55,283,612
Traded Goods		**123,427,576**	180,734,764
Work-in progress		**25,598,993**	21,018,354
	(A)	**216,039,012**	**257,036,730**
Less: Inventories at the beginning of the year:			
Finished goods		**55,283,612**	37,266,817
Traded Goods		**180,734,764**	156,587,242
Work-in progress		**21,018,354**	25,628,985
	(B)	**257,036,730**	**219,483,044**
Decrease in inventories	**(B-A)**	**40,997,718**	**(37,553,686)**

Details of purchase of traded goods

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Head Lamp / tail Lamp	**859,137,248**	1,034,700,222
Steel sheets / tubes	**215,582,985**	145,526,752
Plastic Powder	**16,220,706**	18,025,321
Others	**516,017,884**	599,266,633
	1,606,958,822	**1,797,518,927**

Details of Inventory

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Finished goods		
Lighting Components	**22,575,549**	16,069,155
Plastic moulded Items	**4,595,422**	4,430,400
Gear Shifter Components	**17,495,951**	5,847,132
Others	**22,345,521**	28,936,925
	67,012,443	**55,283,612**
Traded Goods		
Head Lamp / tail Lamp	**37,899,291**	92,266,596
Others	**85,528,285**	88,468,169
	123,427,576	**180,734,764**
Work in progress		
Lighting Components	**12,912,700**	9,435,406
Plastic moulded Items	**560,945**	249,043
Others	**12,125,348**	11,333,905
	25,598,993	**21,018,354**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

23 Employee Benefits Expenses

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Salaries , wages and bonus	**853,218,394**	712,366,041
Gratuity Expenses (note 30)	**16,765,162**	6,524,131
Contribution to provident and others funds	**36,399,661**	26,338,805
Staff welfare expenses	**45,542,805**	36,851,193
	951,926,022	**782,080,170**

24 Finance Costs

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Interest on term loans	**19,894,857**	31,914,559
Interest on working capital loan	**8,303,406**	8,592,120
Interest paid to others	**11,315,841**	6,882,456
	39,514,104	**47,389,135**

25 Other Expenses

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Freight and forwarding charges	**174,172,024**	162,862,136
Job-work charges	**129,943,812**	121,505,213
Power and fuel	**140,262,243**	139,062,828
Consumables	**72,524,349**	60,838,470
Packing material consumed	**95,781,795**	70,699,894
Sales incentive to customers	**30,123,607**	44,930,511
Management fees	**42,362,195**	41,385,872
Travelling and conveyance	**60,217,698**	53,764,138
Rent	**39,557,192**	28,998,774
Cash discount on sales	**22,178,299**	24,307,357
Security charges	**24,817,527**	20,198,330
Legal and professional fees	**55,873,586**	22,275,752
Repairs and Maintenance		
- Plant and machinery	**55,673,184**	49,413,806
- Building	**10,771,958**	9,978,802
- Others	**35,650,829**	31,109,885
Communication cost	**10,316,323**	8,992,334
Rates and taxes	**10,757,680**	6,839,980
Royalty	**11,081,036**	6,857,780
Contribution towards corporate social responsibility (refer note 41)	**7,807,600**	6,800,000
Insurance charges	**6,482,610**	5,420,636
Vehicle running expenses	**11,534,169**	4,818,457
Payment to auditors (Refer details below)	**6,136,708**	5,088,726
Printing and stationery	**5,698,575**	6,094,203
Advertisement and sales promotion	**2,161,505**	4,183,772
Water charges	**2,538,961**	2,502,427

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

25 Other Expenses (Contd.)

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Bank charges	**1,903,343**	1,934,730
Commission to selling agent	**880,012**	1,602,748
Foreign exchange loss (net)	**278,150**	-
Director's sitting fees	**1,120,000**	980,000
Decrease of excise duty on inventory	**11,029**	1,276,596
Provision for doubtful debts/advances	**1,792,765**	1,510,073
Gain loss on sales of fixed assets (net)	**445,851**	(1,791,492)
Miscellaneous expenses	**36,086,665**	35,943,703
	1,106,943,280	**980,386,441**
Payments to the auditor (includes Group and its jointly controlled entities)		
As auditor		
Audit fees	**4,009,307**	3,463,726
Limited review	**1,560,000**	1,375,000
Tax audit fees	**290,000**	250,000
In other capacity		
Reimbursement of expenses	**277,401**	202,074
	6,136,708	**5,290,800**

26 Research and development expenses

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Cost of materials consumed	**18,141**	731,724
Employee benefits expense	**15,121,593**	14,311,981
Other expenses **	**6,902,558**	7,383,719
Total	**22,042,292**	**22,427,424**
Less: Miscellaneous income	**(241,176)**	(71,234)
	21,801,116	**22,356,190**

** Other Expenses

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Repair and Maintenance - plant and machinery	**304,670**	831,340
Electricity expenses	**1,479,070**	1,293,585
Testing charges	**73,224**	59,704
Repair and maintenance		
- Building	**254,004**	1,311,588
- Others	**1,534,330**	-
Travelling and conveyance	**2,071,631**	2,756,592
Postage and telephones	**143,537**	186,466
Security expenses	**212,204**	171,545
Vehicle expenses	**446,084**	322,385
Miscellaneous expenses	**383,804**	450,514
	6,902,558	**7,383,719**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

27 Depreciation and amortization expense

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Depreciation of property, plant and equipment's	**229,463,530**	199,969,964
Amortization of intangible assets	**9,987,172**	8,659,456
	239,450,702	**208,629,420**

28 Exceptional Items (net)

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Employee separation cost (note 47)	**32,241,360**	-
Loss / (profit) on sales of investments	**(329,992)**	-
	31,911,368	-

29 Earning per share (EPS)

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Profit after tax	**341,431,105**	317,661,000
Weighted average number of equity shares (Nos.)	**13,631,541**	13,631,541
Nominal value per share	**10**	10
Basic and diluted earning per share	**25.05**	**23.30**

30 Gratuity and Other Post-employment Benefit Plans :

The company operates defined plans, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plans.

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

(i) Defined Contribution Plans

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Employer's Contribution to Provident Fund	**33,689,994**	24,265,235
Employer's Contribution to Employee State Insurance	**6,691,053**	1,526,137

(ii) Net Employee Benefit expenses recognized in the Employee Cost

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Current service cost	**11,134,740**	8,584,124
Interest	**6,173,553**	4,679,997
Expected Return on Plan Assets	**(4,617,091)**	(3,161,378)
Actuarial (gain)/loss	**4,073,960**	(3,578,612)
Net cost	**16,765,162**	**6,524,131**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

31 Capital and Other Commitments

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advance paid ₹ 10,495,499 (March 31, 2016: ₹ 125,792,000)]	**7,069,495**	29,034,688
	7,069,495	**29,034,688**

32 Contingent Liabilities

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Holding Company: In respect of A.Y. 2010 - 11, the assessing officer has added to the income of the Company notional amount of disallowance under Rule 14A of the Income tax act, 1961 amounting to ₹ 435,192 against which demand raised for amounting ₹ 118,000. The Company has preferred an appeal with Commisioner of Income Tax (Appeals) ("CIT (A)") against the same.	**118,000**	118,000
In respect of A.Y. 2012 - 13, the assessing officer has added to the income of the Company notional amount of disallowance under Rule 14A of the Income tax act, 1961 amounting to ₹ 1,185,586 against which demand raised for tax amounting ₹ 384,670. The Company has preferred an appeal with CIT (A) against the same.	**384,670**	384,670
In respect of A.Y. 2013 - 14, the assessing officer has added to the income of the Company notional amount of disallowance under Rule 14A of the Income tax act, 1961 and others amounting to ₹ 1,131,137 against which demand raised for tax amounting ₹ 384,480. The Company has preferred an appeal with CIT (A). The Appeal has been allowed in favour of Company by CIT (A) vide their letter dated Feb 07, 2017.	-	384,480
Deputy commissioner (Central Excise) had raised a demand in respect of reversal of CENVAT pertains to exempted services relating to the period from October 2008 to July 2013. The Company had filed the appeal with Commissioner (Appeals) and Commissioner (Appeals) has allowed the Appeal and passed the Order in favour of Company vide letter dated June 28, 2016.	-	1,042,425
Deputy commissioner (Central Excise) had raised a demand in respect of reversal of CENVAT of 6% pertains 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 appeal and passed the order in favour of Company vide letter dated July 14, 2016.	-	92,770
Subsidiary Companies/ Jointly controlled entities: Demand from Employee State Insurance	**90,247**	90,247
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.	**47,794,854**	48,491,093

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

33 Value of Imports calculated on CIF

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Raw Material and Components	**471,750,173**	220,593,175
Capital assets (including Capital Work in progress)	**20,524,802**	44,699,533
Total	**492,274,975**	**265,292,708**

34 Earnings and Expenditure in Foreign Currency (on accrual basis)

Amount in ₹

	Year Ended March 31, 2017	Year Ended March 31, 2016
Expenditure in Foreign Currency		
Raw Material /Tools	**100,873,690**	32,360,957
Capital assets	**20,524,802**	44,699,533
Legal and Profesional Expeneses	**16,903,421**	3,707,025
Royalty	**10,868,527**	6,646,539
Travelling and conveyance	**4,600,895**	5,047,661
Commission to selling agent	**395,878**	752,042
Insurance charges	**308,920**	267,159
	154,476,133	**93,480,916**
Earnings in Foreign Currency		
Export of Finished Goods at a F.O.B.	**116,324,767**	139,484,370
Other Receipts	**216,025**	-
	116,540,792	**139,484,370**

35 Net Dividend remitted in Foreign Exchange

Amount in ₹

Year of remittance (ending on)	Year Ended March 31, 2017	Year Ended March 31, 2016
Period to which it relates	**2016-17**	**2015-2016**
Number of non-resident shareholders		2
Number of Equity Shares held on which dividend was due	**Nil**	1,640,443
Amount remitted (INR)	**Nil**	8,072,929
Amount remitted (USD)	**Nil**	12,832

36 Total Expenditure incurred on Research and Development

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Expenditure charged to Statement of Profit and Loss (refer note 26)	**21,801,116**	22,356,190

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

37 Details of Unhedged Foreign Currency

		Amount in ₹		Amount (in Foreign Currency)	
Particulars	Foreign Currency	**Year Ended March 31, 2017**	**Year Ended March 31, 2016**	**Year Ended March 31, 2017**	**Year Ended March 31, 2016**
Bank Loan	Bank Loan (Buyers Credit)	-	11,843,214	-	178,752
Trade Payable	EURO	**335,434**	1,368,435	**4,802**	18,149
	USD	**45,767,354**	48,480,571	**684,851**	730,172
	JPY	**393,785**	309,718	**676,840**	555,682
	TBH	**4,218,565**	4,561,834	**2,232,076**	2,378,736
Trade Receivable	USD	**7,039,850**	15,016,835	**104,454**	226,635

38 Details of expenses capitalised under fixed assets/capital work in progress

The Holding Company and its jointly controlled entities has capitalized the following expenses of revenue nature to the cost of capital work in progress (CWIP). Consequently expenses disclosed under the respective notes are net of amount capitalized by the Holding Company and its jointly controlled entities. The break up of expenditures is as follows:

Amount in ₹

Particulars	**Year Ended March 31, 2017**	**Year Ended March 31, 2016**
Consumption of raw material and components	-	2,798,532
Salaries and Wages	-	623,394
Manufacturing Expenses	-	2,065,981
Administrative Expenses	-	810,033
Foreign Exchange	-	1,201,359
Finance Costs	-	378,680
Interest on Bank Deposit	-	(299,384)
TOTAL	-	**7,578,595**

39 Details of Hedged Foreign Currency

Amount in ₹

			Foreign Currency	
Particulars	**Year Ended March 31, 2017**	**Year Ended March 31, 2016**	**Year Ended March 31, 2017**	**Year Ended March 31, 2016**
Bank Loan (Buyers Credit)				
USD	**305,222**	225,222	**19,923,750**	14,231,750

40 (a) Operating lease - As a lessor

i) The Group and its jointly controlled entities had leased its premises for a lease term of 1-5 years and are renewable at mutual agreement of both the parties.

ii) The future minimum lease payment receivables are :

Amount in ₹

Particulars	**Year Ended March 31, 2017**	**Year Ended March 31, 2016**
Future minimum lease payment receivables		
- Not later than one year	**32,742,600**	32,084,800
- Later than one year but not later than five years	**22,839,960**	43,603,560
- Later than five years	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

(b) Operating Lease - As a Lessee

i) The Group and its jointly controlled entities had entered into commercial leases for factory premises for lease terms for a period of 1 to 5 years and are renewable at the mutual agreements of both the parties.

ii) The future minimum lease payments are :

Amount in ₹

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Future minimum lease payments		
- Not later than one year	23,034,200	19,489,600
- Later than one year but not later than five years	31,759,030	43,603,560
- Later than five years	-	-

41 Corporate Social Responsibility (CSR) Expenditure :

Amount in ₹

Details of CSR Expenditures:		As at March 31, 2017	As at March 31, 2016
a)	Gross amount required to be spent by the Group and its jointly controlled entities during the year	**9,640,515**	9,591,062
b)	Amount spent during the year		
i)	Construction/ acquisition of any assets	**-**	-
ii)	On purpose other than (i) above	**7,807,600**	6,800,000

42 Segment information

Business segment

The Group and its jointly controlled entities had identified its primary business segment as dealing and manufacturing of "Automotive components"

All activities of the Holding Company and its jointly controlled entities 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 segment

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India its presence in international market is not significant. Its business is accordingly aligned geographically, catering primarily to India .

43 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Principal amount due to micro and small enterprises	**28,779,441**	83,242,906
Interest due on above	**1,718,652**	-
	30,498,093	**83,242,906**
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.	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
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.	**1,714,700**	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	**3,953**	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	**-**	-

44 Related Party Disclosure

Names of related parties and related party relationship

Related parties (where control exists and / or with whom transactions have taken place during the year)

S.No.	Relationships	Name of Related Parties
1	Key Managerial Personnel	Mr. D.K. Jain (Chairman) Mr.Anmol Jain (Managing Director) **Additional related parties as per CA 2013 with whom transactions have taken place during the year :** Mr. Ashish Dubey (Chief Financial Officer) Ms. Swapnal Patane (Company Secretary)
2	Relative Of Key Management Personnel :	Mrs.Usha Jain (Wife of D. K. Jain and Mother of Mr. Anmol Jain) Mr. Deepak Jain (Son of Mr. D.K. Jain , Brother of Mr. Anmol Jain) Mrs. Shivani Jain (Wife of Anmol Jain)
3	Enterprises Owned or Significantly Influenced by Key Management Personnel and their relatives:	Bharat Enterprises D. K. Jain & Sons (HUF) Dhanesh Kumar Jain & Family Trust Lumax Ancilliary Limited Lumax Charitable Foundation Lumax Finance Private Limited Lumax Industries Limited Lumax Tours & Travels Limited Mahavir Udyog Lumax management services private limited *
4	Joint Venture	Lumax Gill-Austem Auto Technologies Private Limited Lumax Cornaglia Auto Technologies Private Limited

* Lumax management services private limited has become wholly owned subsidiary of the Holding Company w.e.f. September 27, 2016 .

44.1 Detail of Related Parties (Consolidated) Transactions for the Financial Year 2016-17

Amount in ₹

S. No.	Account Head	Key Management Personnel		Relative of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture (Proportinate share)		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
A	**TRANSACTIONS**										
	Sale of raw materials and components										
	Lumax Industries Limited	-	-	-	-	**940,588,902**	1,036,733,275	-	-	**940,588,902**	1,036,733,275
	Lumax Ancillary Limited	-	-	-	-	**43,192,787**	61,247,731	-	-	**43,192,787**	61,247,731
	Lumax Gill-Austem Auto Technologies Private Limited							**11,831,234**	906,658	**11,831,234**	906,658
	Total	-	-	-	-	**983,781,689**	**1,097,981,006**	**11,831,234**	**906,658**	**995,612,923**	**1,098,887,665**
	Sale of finished goods							-	-		
	Lumax Industries Limited	-	-	-	-	**444,119,516**	302,156,084	-	-	**444,119,516**	302,156,084
	Lumax Ancillary Limited	-	-	-	-	**23,102,659**	33,084,770	-	-	**23,102,659**	33,084,770
	Total	-	-	-	-	**467,222,175**	**335,240,854**	-	-	**467,222,175**	**335,240,854**
	Sale of Fixed Assets							-	-		
	Lumax Industries Limited	-	-	-	-	**843,099**	-	-	-	**843,099**	-
	Lumax Management Services Private. Limited.	-	-	-	-	-	2,949,044	-	-	-	2,949,044
	Lumax Gill-Austem Auto Technologies Private Limited							**22,112,052**	144,505	**22,112,052**	144,505
	Total	-	-	-	-	**843,099**	**2,949,044**	**22,112,052**	**144,505**	**22,955,151**	**3,093,549**
	Purchases of Raw Materials and Components							-	-		
	Bharat Enterprises	-	-	-	-	**13,332,961**	14,294,620	-	-	**13,332,961**	14,294,620
	Lumax Industries Limited	-	-	-	-	**78,563,184**	95,885,870	-	-	**78,563,184**	95,885,870
	Lumax Ancillary Limited	-	-	-	-	**446,069,283**	449,261,450	-	-	**446,069,283**	449,261,450
	Mahavir Udyog					**41,967**	-			**41,967**	-
	Total	-	-	-	-	**538,007,395**	**559,441,940**	-	-	**538,007,395**	**559,441,940**
	Purchases of finished goods							-	-		
	Bharat Enterprises	-	-	-	-	**379,016**	135,024	-	-	**379,016**	135,024
	Lumax Industries Limited	-	-	-	-	**424,875,120**	540,477,630	-	-	**424,875,120**	540,477,630
	Lumax Ancillary Limited	-	-	-	-	**49,039,322**	27,615,712	-	-	**49,039,322**	27,615,712
	Total	-	-	-	-	**474,293,458**	**568,228,366**	-	-	**474,293,458**	**568,228,366**

Amount in ₹

S. No.	Account Head	Key Management Personnel		Relative of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture (Proportinate share)		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Purchases of Job work							-	-		
	Lumax Industries Limited	-	-	-	-	**976,060**	663,991	-	-	**976,060**	663,991
	Lumax Ancillary Limited	-	-	-	-	**121,236**	802,071	-	-	**121,236**	802,071
	Lumax Tours & Travels Ltd					**58,030**	-			**58,030**	-
	Total	-	-	-	-	**1,155,326**	**1,466,062**	-	-	**1,155,326**	**1,466,062**
	Others (debit/ credit notes)										
	Lumax Industries Limited					**1,361,129**	15,943			**1,361,129**	15,943
	Lumax Ancillary Limited					**(54,957)**	-			**(54,957)**	-
	Mahavir Udyog					**(2,300)**	-			**(2,300)**	-
	Lumax Gill-Austem Auto Technologies Pvt. Ltd							**457,642**	2,064,318	**457,642**	2,064,318
	Total	-	-	-	-	**1,303,872**	**15,943**	**457,642**	**2,064,318**	**1,761,514**	**2,080,261**
	Purchase of Packing Material							-	-		
	Mahavir Udyog	-	-	-	-	**1,820,289**	1,155,403	-	-	**1,820,289**	1,155,403
	Total	-	-	-	-	**1,820,289**	**1,155,403**	-	-	**1,820,289**	**1,155,403**
	Purchase of Fixed Assets							-	-		
	Lumax Industries Limited	-	-	-	-	**255,835**	4,551,368	-	-	**255,835**	4,551,368
	Total	-	-	-	-	**255,835**	**4,551,368**	-	-	**255,835**	**4,551,368**
	Availing of Services							-	-		
	Lumax Tours & Travels Limited	-	-	-	-	**20,363,290**	15,934,595	-	-	**20,363,290**	15,934,595
	Lumax Industries Limited					**1,763,508**	-			**1,763,508**	-
	Total	-	-	-	-	**22,126,798**	**15,934,595**	-	-	**22,126,798**	**15,934,595**
	Rendering of Services										
	Lumax Industries Limited					**101,708,263**	1,292,140			**101,708,263**	**1,292,140**
	Lumax Ancillary Limited					**190,817**	-			**190,817**	-
	Lumax Gill-Austem Auto Technologies Pvt. Ltd					-	-	**15,224,780**	-	**15,224,780**	-
	Total	-	-	-	-	**101,899,080**	**1,292,140**	**15,224,780**	-	**117,123,860**	**1,292,140**
	Management Support Fee							-	-		
	Lumax Management Services Private. Limited					**35,124,438**	29,365,232	-	-	**35,124,438**	29,365,232
	Total	-	-	-	-	**35,124,438**	**29,365,232**	-	-	**35,124,438**	**29,365,232**

Amount in ₹

S. No.	Account Head	Key Management Personnel		Relative of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture (Proportionate share)		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Lease Rent-Paid							-	-		
	Mrs. Usha Jain	-	-	**2,469,000**	2,361,000	-	-	-	-	**2,469,000**	2,361,000
	Lumax Industries Limited	-	-	-	-	**8,693,811**	11,742,733	-	-	**8,693,811**	11,742,733
	Total	-	-	**2,469,000**	**2,361,000**	**8,693,811**	**11,742,733**	-	-	**11,162,811**	**14,103,733**
	Lease Rent-Received										
	Lumax Industries Limited	-	-	-	-	**17,090,150**	15,039,420	-	-	**17,090,150**	15,039,420
	Lumax Gill-Austem Auto Technologies Private Limited							**8,080,125**	1,369,388	**8,080,125**	1,369,388
	Total	-	-	-	-	**17,090,150**	**15,039,420**	**8,080,125**	**1,369,388**	**25,170,275**	**16,408,808**
	CSR Expenditure							-	-	-	-
	Lumax Charitable Foundation	-	-	-	-	**7,807,600**	6,800,000	-	-	**7,807,600**	6,800,000
	Total	-	-	-	-	**7,807,600**	**6,800,000**	-	-	**7,807,600**	**6,800,000**
	Managerial Remuneration *							-	-		
	Mr.Anmol Jain	**13,490,224**	5,067,368	-	-	-	-	-	-	**13,490,224**	5,067,368
	Mr.D.K.Jain	**15,564,721**	14,983,946	-	-	-	-	-	-	**15,564,721**	14,983,946
	Mr.Deepak Jain			**1,548,000**	1,556,400	-	-	-	-	**1,548,000**	1,556,400
	Mrs.Shivani Jain			**13,308,086**	10,759,373	-	-	-	-	**13,308,086**	10,759,373
	Mr. Ashish Dubey	**3,907,000**	3,442,000							**3,907,000**	3,442,000
	Ms. Swapnal Patane	**530,000**	304,000							**530,000**	304,000
	Total	**33,491,945**	**23,797,314**	**14,856,086**	**12,315,773**	-	-	-	-	**48,348,031**	**36,113,087**
	Commission Paid							-	-		
	Mr.Anmol Jain	-	434,999	-	-	-	-	-	-	-	434,999
	Mr.D.K.Jain	-	2,333,660	-	-	-	-	-	-	-	2,333,660
	Mr.Deepak Jain	-	-	**935,772**	2,874,746	-	-	-	-	**935,772**	2,874,746
	Total	-	**2,768,659**	**935,772**	**2,874,746**	-	-	-	-	**935,772**	**5,643,405**
	Dividend Paid							-	-		
	Mr.Anmol Jain	-	10,088,208	-	-	-	-	-	-	-	10,088,208
	Mr.D.K.Jain	-	19,366,507	-	-	-	-	-	-	-	19,366,507
	Mr.Deepak Jain	-	-	-	10,701,428	-	-	-	-	-	10,701,428
	Mrs. Usha Jain	-	-	-	5,425,430	-	-	-	-	-	5,425,430
	Mrs.Shivani Jain	-	-	-	526,500	-	-	-	-	-	526,500
	D.K.Jain And Family Trust	-	-	-	-	-	477,243	-	-	-	477,243
	D.K.Jain And Sons (HUF)	-	-	-	-	-	13,817,361	-	-	-	13,817,361
	Lumax Finance Private. Limited	-	-	-	-	-	28,340,489	-	-	-	28,340,489
	Total	-	**29,454,715**	-	**16,653,358**	-	**42,635,093**	-	-	-	**88,743,166**

Amount in ₹

S. No.	Account Head	Key Management Personnel		Relative of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture (Proportinate share)		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Dividend Received							-	-		
	Lumax Industries Limited	-	-	-	-	-	9,187,500	-	-	-	9,187,500
	Total	-	-	-	-	-	9,187,500	-	-	-	9,187,500
	Reimbursement of expenses										
	Lumax Industries Ltd					**863,025**	-			**863,025**	-
	Total	-	-	-	-	**863,025**	-	-	-	**863,025**	-
	Others{Net of Income/ (Expenditure)}							-	-		
	Lumax Industries Limited	-	-	-	-	**435,790**	163,723	-	-	**435,790**	163,723
	Lumax Ancillary Limited	-	-	-	-	-	-	-	-	-	-
	Lumax Management Services Private. Limited	-	-	-	-	-	(2,568,398)	-	-	-	(2,568,398)
	Lumax Gill-Austem Auto Technologies Private Limited							-	2,064,318	-	2,064,318
	Total	-	-	-	-	**435,790**	**(2,404,675)**	-	**2,064,318**	**435,790**	**(340,357)**
B	**BALANCE AT THE YEAR END**							-	-	-	-
	Receivables							-	-	-	-
	Lumax Industries Limited	-	-	-	-	**558,101,134**	487,800,946	-	-	**558,101,134**	487,800,946
	Lumax Ancillary Limited	-	-	-	-	**12,902,011**	16,141,064	-	-	**12,902,011**	16,141,064
	Mahavir Udyog	-	-	-	-	**2,300**	-	-	-	**2,300**	-
	Lumax Charitable Foundation					**1,781,738**	-			**1,781,738**	-
	Lumax Gill-Austem Auto Technologies Private Limited						-	**3,324,605**	3,801,153	**3,324,605**	3,801,153
	Total	-	-	-	-	**572,787,183**	**503,942,010**	**3,324,605**	**3,801,153**	**576,111,788**	**507,743,163**
	Investment							-	-		
	Lumax Industries Limited	-	-	-	-	**193,783,106**	193,783,106	-	-	**193,783,106**	193,783,106
	Lumax Ancillary Limited	-	-	-	-	**30,117,106**	30,117,106	-	-	**30,117,106**	30,117,106
	Lumax Gill-Austem Auto Technologies Pvt. Ltd							**20,939,990**	10,940,000	**20,939,990**	10,940,000
	Lumax Cornaglia Auto Technologies Private Limited							**29,535,643**	28,235,683	**29,535,643**	28,235,683
	Total	-	-	-	-	**223,900,212**	**223,900,212**	**50,475,633**	**39,175,683**	**274,375,845**	**263,075,895**
	Total (Receivable)	-	-	-	-	**796,687,395**	**727, 842,222**	**53,800,238**	**42,976,836**	**850,487,633**	**770,819,058**

Amount in ₹

S. No.	Account Head	Key Management Personnel		Relative of Key Management Personnel		Enterprises owned or significantly influenced by Key Management Personnel or their relatives		Joint Venture (Proportionate share)		Total	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Payables							-	-		
	Bharat Enterprises	-	-	-	-	**2,778,837**	3,765,379	-	-	**2,778,837**	3,765,379
	Lumax Ancillary Limited	-	-	-	-	**112,348,508**	132,292,959	-	-	**112,348,508**	132,292,959
	Lumax Industries Limited	-	-	-	-	**159,363,757**	162,880,371	-	-	**159,363,757**	162,880,371
	Lumax Tours & Travels Limited	-	-	-	-	**1,745,776**	(197,881)	-	-	**1,745,776**	(197,881)
	Mahavir Udyog	-	-	-	-	**723,470**	286,252	-	-	**723,470**	286,252
	Lumax Management Services Private. Limited	-	-	-	-	-	3,435,268	-	-	-	3,435,268
	Mr.Anmol Jain	**1,458,596**	1,164,059	-	-	-	-	-	-	**1,458,596**	1,164,059
	Mr.D.K.Jain	**2,742,617**	4,570,535	-	-	-	-	-	-	**2,742,617**	4,570,535
	Mr.Deepak Jain		-	**1,016,772**	2,951,746	-	-	-	-	**1,016,772**	2,951,746
	Mrs.Shivani Jain	-	-	**10,764,169**	8,230,507	-	-	-	-	**10,764,169**	8,230,507
	Mr. Ashish Dubey	**245,230**	254,198							**245,230**	254,198
	Ms. Swapnal Patane	**34,516**	37,502							**34,516**	37,502
	Total	**4,480,959**	**6,026,294**	**11,780,941**	**11,182,253**	**276,960,348**	**302,462,347**	-	-	**293,222,248**	**319,670,894**

*The Persons are covered under the Company's Group Gratuity Scheme along with other employee of the Holding and its jointly controlled entities. The gratuity and leave liability is determined for all the employees on an overall basis, based on the actuarial valuation done by an independent actuary. The specific amount of gratuity. leave liability can not be ascertained separately, except for the amount actually paid.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

45 Additional information pursuant to Schedule III of Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2016-17

Amount in ₹

S. No.	Name of the Entity	For the year ended March 31, 2017				For the year ended March 31, 2016			
		Net Assets, i.e., total assets minus total liabilities		Share in Profit		Net Assets, i.e., total assets minus total liabilities		Share in Profit	
		As % of consolidated net assets	Amount (₹)	As % of consolidated profit or loss	Amount (₹)	As % of consolidated net assets	Amount (₹)	As % of consolidated profit or loss	Amount (₹)
1	Parent Company	41%	1,419,512,206	15%	50,983,309	46%	1,368,528,897	54%	195,501,267
2	Subsidiaries	53%	1,835,516,893	86%	294,059,074	53%	1,588,132,297	49%	177,494,487
3	Joint Ventures	5%	183,045,285	12%	42,404,138	1%	27,615,968	3%	10,296,231
4	Minority interests in the subsidiaries	-	-	-13%	(44,827,430)	-	-	-7%	(24,031,464)
5	Less: Inter company eliminations	-	(271,333,867)	-	(1,187,986)	-	(158,967,750)	-	(41,599,521)
	Total (1+2+3+4+5)	100%	3,166,740,517	100%	341,431,105	100%	2,825,309,412	100%	317,661,000

46 The Holding Company has entered into an agreement with Lumax Ancillary Limited to sell one of its unit at kalamb on slump sale basis on April 1 , 2017. Accordigly WDV of fixed assets situated at KalaAmb are disclosed under current assets as " Assets held for sale" amounting to ₹ 709,792 as at Balance sheet date.

47 The Holding Company has closed the operations of one of its unit at Aurangabad during the previous quarter, due to lack of customer orders and created adequate provisions in books for incidental cost incurred/excepted to incur related to the closure of said plant. The Holding Company believes that the provision carried in the books is sufficient to cover any losses in relation to the closure of the plant. The labourers had filed a legal case against the company in that regard. The District Court has, recently, issued interim relief order to maintain status quo for the said plant.

48 Details of the Specified Bank Notes (SBN's) held and transacted during the period from November 8, 2016 to December 30, 2016 is as under :-

Amount in ₹

Particulars	SBN's	Other Denominations	Total
Closing cash in hand as on November 8, 2016	2,371,000	813,372	3,184,372
(+) Permitted receipts	-	2,080,638	2,080,638
(-) Permitted payments	-	2,003,394	2,003,394
(-) Amount deposited in Banks	2,371,000	-	2,371,000
Closing cash in hand as on December 30, 2016	-	890,616	890,616

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2017

49 Previous years figures have been reclassified / re-grouped wherever necessary, to confirm to this year's classification. Figures pertaining to the subsidiary companies and jointly controlled entities have been reclassified wherever considered necessary to bring them in line with the Holding Company's financial statements.

As per our report of even date
For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI firm registration number: 301003E/E300005

per **Vikas Mehra**
Partner
Membership No. 94421

Place : New Delhi
Date : May 15, 2017

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 SHOWING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

PART " A " : SUBSIDIARIES

(Amount in ₹)

Particulars	Lumax DK Auto Industries Limited	Lumax Mannoh Allied Technologies Limited	Lumax Integrated Ventures Pvt. Ltd.	Lumax Management Services Private Limited
Reporting period for the subsidiary, if different from Holding Company	NA	NA	NA	NA
Reporting currency & Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	NA	NA	NA	NA
Share Capital	4,24,03,130	3,48,05,170	50,80,000	30,96,250
Reserves and Surplus	1,49,62,18,254	19,16,91,950	13,85,763	6,08,36,376
Total assets	2,00,97,39,977	43,82,34,638	3,76,52,059	13,03,83,100
Total liabilities	47,11,18,593	21,17,37,518	2,91,43,410	6,64,50,474
Investments	3,01,17,106	NA	NA	NA
Turnover	3,56,86,16,341	1,04,41,99,195	3,66,13,527	21,54,16,860
Profit before taxation	23,68,97,084	14,65,77,245	-38,24,150	3,70,93,639
Provision for taxation	6,56,07,855	4,69,60,735	-8,25,377	1,46,66,354
Profit after taxation	17,12,89,229	9,96,16,510	-29,98,773	2,24,27,285
Proposed Dividend (Interim)	-	-	-	-
% of Shareholding	100	55	100	100

*Subsidiaries of Lumax Integrated Ventures Private Limited

Particulars	Lumax Energy Solutions Private Limited	Lumax Sipal Engineering Private Limited	Velomax Mobility Private Limited
Reporting period for the subsidiary, if different from Holding Company	NA	NA	NA
Reporting currency & Exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	NA	NA	NA
Share Capital	5,00,000	81,00,000	1,00,000
Reserves and Surplus	35,47,469	-39,30,845	-15,764
Total assets	3,30,03,325	43,20,363	96,496
Total liabilities	2,89,55,856	1,51,208	12,260
Investments	-	-	-
Turnover	3,66,13,527	-	-
Profit before taxation	15,99,356	-51,45,076	-21,231
Provision for taxation	4,89,646	-12,87,324	5,467
Profit after taxation	11,09,710	-38,57,752	-15,764
Proposed Dividend (Interim)	-	-	
% of Shareholding	100	100	100

PART " B " : ASSOCIATES & JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in ₹)

Name of the associates/ joint ventures	Lumax Cornaglia Auto Technologies Private Limited	Lumax Gill Austem Auto Technologies Private Limited
1. Latest audited balance sheet date	31.03.2017	31.03.2017
2. No. of shares of associate / joint ventures held by the Company in the year end	32,13,869	24,73,714
Amount of Investment in Associates / Joint Venture	3,21,38,690	2,47,37,140
Extent of holding %	50	50
3. Description of how there is significant influence	Due to percentage (%) of Share Capital	Due to percentage (%) of Share Capital
4. Net worth attributable to shareholding as per latest audited balance sheet	10,96,78,807	7,33,66,474
5. Profit / (Loss) for the year		
i) Considered in consolidation	1,31,59,351	2,92,44,783
ii) Not considered in consolidation	-	-
6. Reason why the associate / joint venture is not considered	-	-

LUMAX AUTO TECHNOLOGIES LIMITED

Registered Office: Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune – 411026
Website: www.lumaxautotech.com, Tel: 020 66304617, 66304604 Fax: 020 66304624
Email: shares@lumaxmail.com, CIN: L31909MH1981PLC025519

NOTICE TO MEMBERS

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

Notice is hereby given that the 36th Annual General Meeting of the Members of Lumax Auto Technologies Limited will be held as under:

Day : **Friday**

Date : **August 18, 2017**

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 Annual Accounts for the year ended March 31, 2017 and the Auditors' and Directors' Reports thereon.

2. To declare Dividend on Equity Shares as recommended by the Board of Directors.

3. To appoint a Director in place of Mr. Anmol Jain (DIN 00004993), who retires by rotation and, being eligible, offers himself for reappointment.

4. To ratify the appointment of M/s S.R. Batliboi & Co., LLP, Chartered Accountants (Firm registration number 301003E/E300005) as Statutory Auditors of the company, who were appointed as Statutory Auditors for 5 years in the Annual General Meeting held on July 23, 2014 and to authorize Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as **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) the Cost Auditors 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, 2018, 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

Place : New Delhi
Dated : May 15, 2017

Swapnal Patane
Company Secretary

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. **Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Friday, August 11, 2017 to Friday, August 18, 2017 (both days inclusive).

3. **Dividend Entitlement:** Dividend on Equity Shares, as recommended by the Directors, if declared at the meeting will be payable to those members whose names appear on the Register of Members of the Company, in the case of beneficial owners as at the close of August 10, 2017 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 10, 2017.

   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 Warrants will be posted by September 11, 2017 (tentative date). In order to avoid any fraudulent encashment, such Members are requested to furnish their Bank Account Number and Bank's name so as to incorporate the same in the Dividend Warrant, 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.

   Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), the amount of Dividend unclaimed or unpaid for a period

of 7 years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education & Protection Fund (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 2008-09 & Interim Dividend Account for the financial year 2009 -10 has been transferred to the IEPF on 17-11-2016 & 23-02-2017 respectively. The Final Unpaid Dividend Amount for the financial year 2009-10 is due for transfer to the IEPF in the month of September 2017. Members who have not encashed their Dividend for the financial year 2009-10 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.

4. **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 Shareholders should inform the change of address to their respective Depository Participants.

5. **Corporate Member**: Corporate member intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.

6. 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.

7. **Declaration**: Details as per Regulation 36(3) of Listing Regulations, in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. Other details as required under ICSI Secretarial Standard SS-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.

8. **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.

9. **Queries**: Members are requested to send their queries, if any, on the accounts and operations of the Company to the Company Secretary at least 15 days before the ensuing Annual General Meeting.

10. **AGM-Attendance Slip**: Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.

11. **Explanatory Statement**: Pursuant to Section 102(1) of the Companies Act, 2013, Explanatory Statement in respect of Special Business to be transacted at the meeting is furnished hereunder.

12. **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 Regulations, 2015, 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 11, 2017, being the Cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Karvy Computershare Pvt. Ltd. (Karvy) or to vote at the annual general meeting.

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 annual general meeting through email:

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: . Monday, the August 14, 2017 at 10.00 a.m. and ends on Thursday, the August 17, 2017 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 annual general meeting 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 Annual General Meeting:

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 annual general meeting, 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.

D. General Instructions:

i. The Board of Directors has appointed Mr. I. U. Thakur, a Practicing Company Secretary, Pune as the scrutiniser to the e-voting process, and voting at the venue of the annual general meeting in a fair and transparent manner.

ii. The scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast 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.

13. The Notice of AGM, Annual Report, Attendance Slip and instructions for e-voting are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the aforesaid documents are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have still not registered their e-mail addresses are requested to register their e-mail addresses, in respect of shares held in electronic mode, with their depository participant and in respect of the shares held in physical mode, with the company/ Bigshare Services Pvt. Ltd., the Registrar and Share Transfer Agent.

14. All documents referred in the Notice and explanatory statement will be available for inspection by the members at the registered office of the company between 11 am to 1 pm on all working days up to the day of the Annual General Meeting.

15. Notice of this Annual General Meeting, Audited Financial Statement for financial year 2016-17 together with Directors' Report and Auditors' Report are available on the website of the Company www.lumaxautotech.com.

EXPLANATORY STATEMENT:

ITEM NO. 5

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 2017-18 at a fee of ₹ 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 passing an ordinary resolution as set out at Item No. 5 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2018.

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. 5 of the Notice.

Your Directors recommend the resolution set forth in Item No. 5 for approval of the members as an Ordinary Resolution.

By Order of the Board

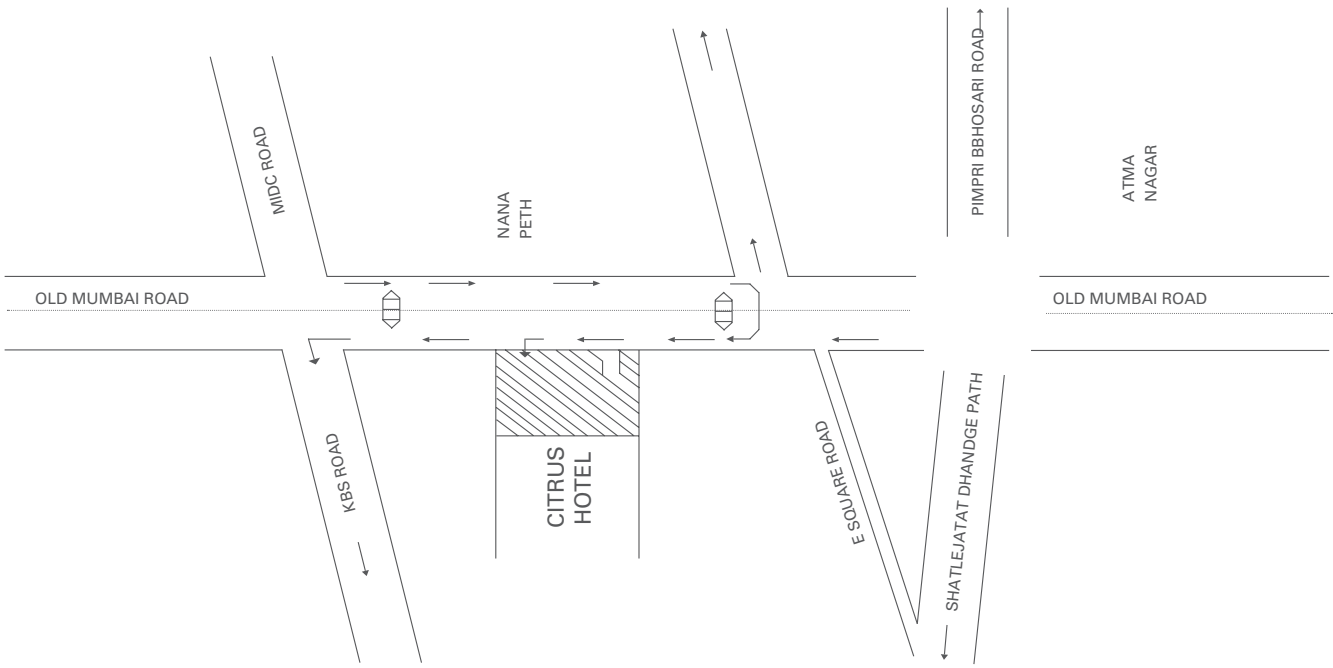
Place : New Delhi
Dated : May 15, 2017

Swapnal Patane
Company Secretary

BRIEF DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AS PER REGULATION 36 (3) OF LISTING REGULATIONS, 2015

PARTICULARS	MR. ANMOL JAIN
Date of Birth & Age	29/4/1979
	38 Years
Date of First Appointment	3/4/2004
Qualification	B.B.A (Hons) from Michigan State University, U.S.A
Experience & Expertise	He started his career as Management Trainee in M/s GHSP, U.S.A. and thereafter joined M/s Lumax GHSP Industries Limited in India, as Vice President on 05-12-2000 one of the Group Companies. Presently, he is Joint Managing Director of Lumax Industries Limited. He holds/held following positions in different Associations:
	- EC member of Honda Cars India Supplier's Club.
	- MC member of Bajaj Auto Vendor Association.
	- Past Chairman of Haryana State Council of Confederation of Indian Industry (CII).
	- National Coordinator of Automotive Component Manufacturer Association of India (ACMA) – Young Business Leaders Forum (YBLF)
Name of Listed Companies in which Directorship held other than Lumax Auto Technologies Limited	Lumax Industries Limited
Chairman/ Member of the Committee of the Board of Listed Companies other than Lumax Auto Technologies Limited	NIL
Relationship with Directors Interse	Related as Son to Mr. D. K. Jain & Mrs. Usha Jain and Brother to Mr. Deepak Jain
No. of Shares held in the Company	862,240

ROUTE MAP TO THE VENUE OF THE AGM



LUMAX AUTO TECHNOLOGIES LIMITED

Registered Office: Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune – 411026
Website: www.lumaxautotech.com, Tel: 020 66304617, 66304604 Fax: 020 66304624
Email: shares@lumaxmail.com, CIN: L31909MH1981PLC025519

ADMISSION - 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 36th Annual General Meeting of the Company being held on Friday, August 18, 2017 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 AUTO TECHNOLOGIES LIMITED

Registered Office: Plot No. 70, Sector 10, PCNTDA, Bhosari, Pune – 411026
Website: www.lumaxautotech.com, Tel: 020 66304617, 66304604 Fax: 020 66304624
Email: shares@lumaxmail.com, CIN: L31909MH1981PLC025519

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): Email Id:

Registered address: Folio No./ *Client Id:

*DP Id:

I/We, being the member(s) of _____ shares of Lumax Auto Technologies Limited, hereby appoint:

1) _____ of _____ having e-mail id _____ or failing him

2) _____ of _____ having e-mail id _____ or failing him

3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 36th Annual General Meeting of the company, to be held on Friday, August 18, 2017 at 03.00 P.M. at Citrus Hotels, Opposite PCMC, Old Mumbai - Pune Highway Road, Pimpri, Pune – 411 018 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, 2017 and the Auditors and Directors Reports thereon.		
2	Declaration of Dividend on equity shares for the year ended March 31, 2017.		
3	Re-appointment of Mr. Anmol Jain, who retires by rotation.		
4	Ratification of the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.		
Special Business			
5	Ratification of Remuneration payable to the Cost Auditor.		

*Applicable for investors holding shares in electronic form.

Signed this _____ day of _____ 2017.

_____
Signature of Shareholder

Affix one ₹ Revenue stamp

_____ _____ _____

Signature of first proxy holder | Signature of second proxy holder | Signature of third proxy holder

Notes:

(1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

**(2) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. D.K. Jain
(Executive Chairman)

Mr. Anmol Jain
(Managing Director)

Mr. Deepak Jain
(Non-Executive Director)

Mrs. Usha Jain
(Non-Executive 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*

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
YES BANK LTD
ICICI BANK LTD
SYNDICATE BANK
STATE BANK OF INDIA
AXIS BANK LTD
IDBI BANK LTD
MIZUHO BANK

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
- Plot No. 2, Industrial Estate, Udyog Vihar, Phase IV, Gurugram, Haryana (Marketing Division)
- Plot No. 91-b, Sector-5, IMT Manesar, Gurugram, Haryana
- Sy. No. 334, 366 & 367, Bellur Village, Narsapura Hobli, Kolar, Bengaluru, Karnataka



Lumax Auto Technologies Limited

www.lumaxautotech.com | www.lumaxworld.in

Concept, Content & Design
WYATT Prism COMMUNICATIONS (info@wyatt.co.in)